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THE MONETARY COMMISSION appointed by the Executive Committee of the Indianapolis Monetary Conference has commenced its labors, and has sent out a series of interrogatories to financial experts and theorists, in order to collect opinions and plans to serve as a basis for a comprehensive plan for the reform of the present currency system.

These interrogatories, which are replied to in another part of this number, are classed under three heads, "Metallic Currency," "Demand Obligations" and "Banking." This is perhaps as good a classification for tentative purposes as can be made, but the whole subject of currency reform is one in which these three branches are so inextricably interwoven that the answers to the questions under one of the heads mentioned are unavoidably dependent upon considerations falling under one or both of the others. Thus when under the head of Metallic Currency the inquiry is made, "What legislation is necessary to insure the permanent inviolability of the gold standard, any really comprehensive reply must include suggestions for a modification of the present issues of Government notes and of bank issues, as well as of the organization and management of banks. The only plan for the inviolable maintenance of the gold standard that could be formulated, without taking into consideration the financial machinery of the country, would be to forbid by legislation and constitutional amendment the circulation or use as money of any form of money other than gold coin and subsidiary or rather fractional silver coin. Even then some regulation of banks would be almost unavoidable unless banks were also altogether abolished.

The difficulty of confining an answer to this one interrogatory strictly to the head under which it appears is encountered with all the other interrogatories propounded under the several heads mentioned. It is, however, one thing to ask questions and another to

give replies of any value. The Commission has no doubt realized the difficulty mentioned, in the endeavor to formulate and classify its questions, and probably does not expect categorical replies. What it aims at, in presenting its questions in this form, is to throw out suggestions which will cover the whole field and thus be sure to elicit replies which will indicate the close inter-relation between all parts of the financial system.

It is plain to those who have studied the subject most carefully that the first desideratum in a comprehensive plan for currency reform is simplicity. The present system is one that is unnecessarily complicated. The perfect system is one that combines the stability of a sound metallic basis with the convenience derived from paper representatives of that basis, with what experience has proved to be the best financial machinery.

The only sound metallic basis, according to the views of the accumulators of wealth in civilized nations, is gold. This may be either in the form of gold bullion or gold coin. Practically gold coin is the basis recognized by law, but gold bullion is practically, under the regulations of the mints of civilized nations, the same as gold coin, because the weight and fineness being the same, they are interchangeable in every transaction weight for weight. But for convenience and for increasing the monetary utility of the metallic basis, paper representatives are necessary. This is the first demand of the credit system which is the foundation of all modern business. These paper representatives of gold coin should be reduced to simplicity and uniformity.

At present there are in the United States two forms of these paper representatives of gold coin, Government notes of two classes, legal-tender notes, and Treasury notes, and bank notes. There is also in the United States another metallic basis inferior to gold coin, viz.: silver dollars, and these again are represented by Government notes, known as silver certificates.

Thus, while gold coin is the fixed metallic basis, there is another metallic basis of silver coin which is loosely affixed to it. Both gold coin and silver coin have their paper representatives.

To sum up, there are two kinds of metallic money and four kinds of paper representatives. Government notes are credits accorded to the Government and bank notes are credits accorded the banks. When a man receives any of this paper money to-day, he reasons this is good because it will be accepted in payment of any debt I may owe or anything I may wish to buy. This is generally true, and it is only under certain phases of business transactions that differences arise. The business transactions that cause these differences depend for this peculiarity on their being domestic or foreign, cn

their being large in amount, and also somewhat on their relation to general conditions of prosperity or the reverse.

If a man receives a gold coin or a certain weight of gold bullion, he reasons, I can use this under any conceivable conditions of trade or business, in large amounts or small, either at home or abroad. If a man receives silver dollars, he reasons, I can use these very well in ordinary transactions, but if I wish to use them abroad I shall have to get gold coin for them. How can I do that? I can deposit them in my bank and get a credit, and then I can draw my check on the bank and get gold; but can I do this to any extent? Then a doubt arises. The bank may not be able to do this to the extent required, especially if there is a great demand for such exchanges from all quarters.

With a legal-tender note or Treasury note the reasoning is, I can always get gold for this as long as the Treasury has gold to pay. But there have been signs that the Treasury may find it at times difficult to pay gold. There is thus a doubt thrown on the notes that renders them in some contingencies inferior to the gold itself.

National bank notes can be used to procure legal-tender notes and Treasury notes from the banks, or sometimes, when convenient to the banks, gold itself.

With each of these forms of paper representatives, in any transaction where gold coin is absolutely required, a different process must be gone through to obtain it in unlimited quantities. One process is by presentation at the Treasury, and another with different degrees of complication through the banks. The banks form the chief part of the financial machinery of the country. If it were not for their operations with the currency of the country, furnishing paper in any desired form to those who require it, silver dollars to those who require them, and putting all those who require gold in the way in which only it can be obtained, the viciousness of our currency system would become at once apparent to all.

If the currency be graded according to its inherent proximity to an actual gold coin basis, we have gold, legal-tender notes and Treasury notes, National bank notes, silver certificates, and silver dollars, in the order named.

Without the banking machinery how could the holders of silver certificates get gold. They would have to find the holders of legal-tender notes, etc., and buy the latter and then send them to the Treasury. The banks relieve the public of this necessity; they furnish a place of exchange, where the process is carried on quietly and ordinarily without alarm.

For this they as a rule receive no profit, except that derived from the loaning of deposits. They accomplish this in normal times with-

out apparent effort. The dangers of the system only become visible at intervals and they arise as follows: The ultimate source of all gold received in exchange for paper money is the Treasury reserve. This is understood by the banks, and knowing by experience that the whole mass of paper currency would be thrown into confusion, if the Treasury should show signs of weakness, they economize that reservoir as much as they can. No bank in the country is by law required to keep any gold. But the banks do keep on hand a very large stock. They do this for their own direct protection, because the disorder of the currency by any exorbitant pressure on the Treasury would mean irreparable loss to them, through the depreciation of the securities they hold for their deposits and capital. The banks use their own supply of gold as a buffer to prevent too violent shocks to the Treasury reserve. When the Treasury is full of gold they supply themselves. When there is pressure for gold they pay out their own rather than permit too extensive raids on the Treasury. If it had not been for this assistance, rendered no doubt by a motive of intelligent selfishness, the Treasury would have succumbed during the panic of 1893.

But it appears most evident that this task of sustaining the gold paying power of the Treasury, and thereby the gold standard, is a much heavier one than it would be to sustain gold payments and the gold standard if the paper currency was reduced to one simple form for the whole country. If, for instance, legal-tender notes and Treasury notes and silver certificates were retired; if the silver dollars were melted down by the Government, and sold together with all other silver bullion except that necessary for fractional coinage, and the currency of the country took the exclusive form of gold coin and notes representing gold coin issued by the banks, it would be a comparatively easy task for the exchange machinery of the country to maintain gold payments at all times. The Treasury would keep no gold reserve. The bank notes, taking the place of the present Government notes, would be presented for gold when gold was required in no greater proportion than Government notes are now presented at the Treasury. The vast aggregate of domestic transactions would be consummated in bank notes. When gold was required the banks could supply it more readily than they can at present. They would increase their gold reserves, and being in direct contact with the pulse of business they could foresee and provide for extraordinary demands more readily than can the Treasury. Most of the banks without being required to do so by law now keep large gold reserves because they distrust the power of the Treasury in times of stringency. With a law requiring gold reserves, and with the consciousness that they must rely on themselves to maintain

gold payments, they would jealously watch the gold supply and ensure its being ample at all times. With a clearing-house in New York city for the redemption of all the bank notes of the country—most of the redemptions would be effected by exchanges—gold would only be required to pay balances. A constant redemption of bank notes would tend to restrict the issues of each bank to the amount demanded by its legitimate business based on actual values. Each bank would be rendered cautious. There would be a tendency to rely on gold coin itself as a means of payments. The stock of gold coin would tend to increase and the few millions which were necessary for foreign payments could always be easily obtained and spared without alarm.

Plans to clear the way for this ideal system must be prepared in accordance with the working of existing financial machinery. They must accomplish several results:

1st. The retirement and cancellation of legal-tender and Treasury notes, with the least expense to the Government.

2d. The retirement of silver dollars and silver certificates. This will necessarily involve an expense of perhaps $150,000,000 to the Treasury. But the effect of this form of currency, so incongruous in a country seeking to maintain economical and safe gold payments, is so vicious, and it is such an obstacle to all genuine reform, that the country can well afford to pay the price of its removal.

3d. The adaptation of the banking laws to the new condition of things so as to give all the banks in the country an equal chance in the issue of a safe, elastic and homogeneous currency.

If Congress should enact a law delegating power to the President to take the necessary steps to accomplish the results indicated, in less than one year the country would recognize the beneficence of the change, and would be relieved of one great clog that has hampered and delayed its prosperity.

INTERNATIONAL BIMETALLISM, which but a few weeks ago since seemed to have attracted the *quasi* support of the Bank of England, appears now to have been dealt a severe blow by the adverse action of the British Government.

The success or failure of an international monetary conference has for a number of years depended upon the action of England. When United States commissioners were some months ago sent abroad to prepare the way for a conference, they appear to have at first secured some co-operation from the French Government, and then jointly with that Government to have made some proposals to the English authorities, the chief points of which appear to have

been that a conference would become possible if the British Government would recede from their present position as to the monetary standard and agree to reopen the mints of India to the free coinage of silver and at the same time put in operation the dead letter of the law which permits the Bank of England to base notes on silver to the extent of one-fifth of its reserve.

By the ardent bimetallists these overtures, and they appear to have been nothing more, were announced as foregone conclusions. The American commissioners and their supporters seem to have been astonished at their success in securing the co-operation of the French authorities in making a proposition to England of such astonishing boldness. They appear to have had a just apprehension that they would be ignominiously snubbed, and the mere fact that their proposition was received with courtesy elated them to such an extent that they looked upon a conference which would successfully establish bimetallism as a certainty.

The reply of Lord SALISBURY has practically shattered their hopes. The Indian Government decline to reopen their mints to silver, and the mere suggestion that the Bank of England shall adopt a silver basis for part of its notes has raised a storm in England that threatened the overthrow of the ministry.

Last month the correspondence between the Governor of the Bank of England and the Lord Chancellor was considered. Since that correspondence appeared the leading bankers, merchants and discount houses of London prepared and presented to the Government a memorial, urging that no alterations should be introduced affecting the circulating medium of the country without full discussion by Parliament and the public at large, and that under no circumstances whatever should the pledges of successive Governments as to the British pound sterling and the single gold standard of the country be set aside either directly or indirectly, and that no step should be taken by or with the consent of the Government which has for its object any alteration in the value of that standard. The memorial conceives that any change or departure from the present English coinage system in the direction of reliance on engagements with other countries would be a fatal mistake, etc., etc.

Even the newspapers that are the staunchest supporters of the Government have not shrunk from attacking the apparent leaning of the ministry to bimetallism, going so far as to say that the cabinet had been brought to the verge of "some necromantic feat in currency debasement." The blame is laid primarily on Mr. ARTHUR BALFOUR, the First Lord of the Treasury.

Another paper says, "there are theorizers within the Government and these aided by a minority of the same type in the Bank Court,

are credited with having jeopardized the inviolability of the imperial credit by readiness to discuss silver rehabilitation nostrums with men from the United States, Paris—from anywhere."

Sir MICHAEL HICKS-BEACH, the Lord Chancellor, who appears to have carried on the correspondence with the Bank of England, advising the holding of one-fifth of the reserve in silver, is regarded as hating all tricks with England's established policy, and what induced him to make the proposition to the Bank is still a matter of conjecture.

It was thought that had Mr. BALFOUR insisted on the encouragement of the hopes of bimetallists, that the ministry would have been overthrown. The answer of the Government shows that Mr. BALFOUR had to yield.

The whole attempt, conducted as long as possible in secrecy, to pledge England to participate in an international monetary conference and sending commissioners instructed to make the concessions mentioned, appears to have been initiated and carried on with a view to test the opinions of the financial and general public of Great Britain. It appears to have been a concession to Mr. ARTHUR BALFOUR by his associates who do not agree with his theoretical views as to the possibility or desirability of rehabilitating silver.

The public opinion of Great Britain has been tested and the marks of disapproval of the least tampering with the gold standard and monetary system of that country have been so strong that Mr. BALFOUR himself has probably agreed with his colleagues to let the matter drop.

It is said above that Lord SALISBURY'S note has shattered the hopes of Mr. WOLCOTT and his bimetallic brethren, and its purport was sufficient to shatter the hopes of ordinary men. But bimetallists are more hopeful than others. The close of Lord SALISBURY'S note expressed the desire to ascertain how far the views of the French and American Governments have been modified by the decision arrived at and whether they desire to proceed further with the negotiations at the present moment.

At first sight this would appear like asking a man who had been knocked down, if he wanted any more. It is a polite offer to give an opportunity for revenge to a defeated antagonist. But as the object of the American Commissioners is by many thought to be to keep the agitation alive at any price, this desire to ascertain whether they wish to continue negotiations does afford some slight ground for hope.

The commissioners have since the receipt of the note of the British Government expressed their intention of returning to France and seeing if it will be possible to induce the Government of that

country to reopen negotiations on some other basis. In obtaining the assistance of the French Government in the first instance, the American commissioners must have convinced the French authorities that an international monetary conference at which some practical result might be reached was within the bounds of possibility. How they did this is not known. Very likely by going back and forth between England and France they showed enough from English authorities to give a color at least to the belief that England would not be so utterly immovable as in the past.

It has always been held by continental authorities that no monetary conference for the rehabilitation of silver could come to any practical conclusion, unless England was willing to yield something. But now that it is known that England will not yield even the slight concessions asked for by the French and American commissioners, how can France and the United States diminish their demands? They might, it is true, ask the English ministry not to declare war against the two countries if they conclude to open their mints to the free coinage of silver. No doubt England would hold her hands off. Or they might ask to be allowed to continue negotations with the Indian Government.

France however is not ruled by an Administration that for political purposes wishes to keep the possibility of an international monetary conference dangling in futurity for the mystification of voters. It is problematical whether the French leaders will allow themselves to be used to advance the political purposes of an American party. The greatest ingenuity can not originate any but frivolous grounds for further negotiation with England after the failure of the late negotiations. France will not desire to make herself ridiculous, however meekly the American commissioners may be willing to undergo the laughter of mankind while continuing necromantic proceedings with the ghost of a proposed international monetary conference.

But notwithstanding the failure of the American commissioners, it is impossible not to be lost in admiration at their audacity, and at the tremendous effect of their attempts upon the impossible. Thor, it is fabled, saw a giant asleep, and grasping his hammer, struck him three fierce blows each harder than the preceding one. At the first the giant's lips moved a little, at the second he heaved a sigh, at the third he murmured "shoo fly" in his sleep. But it seems that by magic the seeming giant was in reality a huge mountain. Thor, when the scales dropped from his eyes, saw three deep lakes where his hammer struck, and the people of that neighborhood had it seems experienced three earthquake shocks.

Our commissioners, whether with the assistance of magic or not,

have caused the Old Lady of Threadneedle Street to stir in her accustomed sleep of conservatism and the shock has startled "the merchants, bankers and discount houses," and all the financial world of Great Britian into the wildest excitement. They have come near to wrecking a British ministry by their sweet voices.

Whether an international monetary conference is ever held or not, whether silver will ever be rehabilitated or not, and the crime of 1873 atoned for, the negotiations of Mr. WOLCOTT and his compatriots with the SALISBURY ministry can always be relied upon to enliven the dull pages of the comic history of England.

CONGRESS WILL HAVE ASSEMBLED in regular session before another number of the MAGAZINE is printed, and already there is much speculation as to the possibility of securing any changes in the currency and banking laws this winter.

There seems to be an opinion prevalent that it will be impossible to pass any currency bill satisfactory to the sound money party, and that this view of the case has chilled the efforts of the Administration. But no one can tell in advance what Congress may do. If tariff legislation is to be regarded as complete, there is an open field for the currency question.

The present Congress terminates by limitation on March 4, 1898, and if there is among its members such unwillingness to take up the currency question as is intimated, and such important differences of opinion as to the reforms needed, the time available to overcome this unwillingness and reconcile these differences is indeed very short.

Nevertheless if the same determined efforts were made by the Administration to amend the currency laws as that which proved successful at the last session in the case of the tariff, it does not appear impossible to accomplish something. There appear to have been as many differences of opinion in regard to tariff legislation as there are in regard to the currency, and yet these differences were reconciled. Differences of opinion, indifference and even bitter opposition, to any conceivable subject of legislation are to be expected in any legislative body, and therefore the existence of these states of mind among the members of the present Congress is no reason for anticipating that an agreement of some kind may not be reached.

Whether any law is enacted or not, the introduction and discussion of the currency question in Congress this winter would be at least a mark of progress. It is not necessary that the Administration should take the initiative and it is perhaps better that it should not do so. There are one or two bills now on the calendar that would serve as well as any to start the discussion, and it is not likely that Mr.

WALKER and Mr. FOWLER are going to let their measures drop out of sight without making an effort in their behalf. If either of these bills is taken up the whole subject will necessarily be exploited. The Administration would perhaps excite opposition by recommending any specific plan, but can use its influence in shaping and guiding a measure initiated in other quarters.

The course of wisdom on the part of the Secretary of the Treasury therefore seems to be to avoid recommending any specific and detailed legislation, and confine himself to calling the attention of Congress to the necessity of simplifying the laws relative to the coinage and the currency. If specific advice or information is wanted by Congress, that body will doubtless ask for it.

The failure to bring about an international monetary conference will undoubtedly remove one embarrassing obstacle that would have been encountered by the friends of monetary reform when the subject comes before Congress. If there were any possibility of an international agreement about silver this would be a powerful plea in demurrer against any project for a settlement of the question until the conference had come to some conclusion.

On the whole it is to be concluded that the cause of sound money will be benefited by a waiting game on the part of the Secretary of the Treasury and the Administration.

THE MORTGAGE LOAN DEPARTMENT of the Austro-Hungarian Bank, which is described in the second intallment of an article on that great institution published in this number, is likely to prove of interest, in view of recent discussions of mortgage banking.

The *Credit Foncier* of France, which has been the model of much legislation on this subject, has been exposed to serious criticisms for extending its loans upon city rather than agricultural property, and for aiding too much in the over-building of Paris and other cities. It is something of an anomaly according to American views for mortgage banking to be combined with the service of a bank of issue, as in the case of the Austro-Hungarin Bank. The distinction between quick assets and mortgage business is more clearly made, however, in Europe than in this country, and the mortgage department of the Austro-Hungarian Bank appears to be practically a separate institution. The bank has been able to set aside a considerable proportion of its capital for the mortgage department, but it is evidently well understood that it could not afford to impair the liquid character of the assets which protect its issue and discount departments.

The field for mortgage banking is a large one in the United

States, but it is exposed to storms which rarely affect older countries. The failure of many of the Eastern mortgage companies which made loans in Kansas, Nebraska and other States, constitutes a warning against reckless ventures of this sort.

A big corporation which covered the entire country and made loans on suburban as well as agricultural property might be enabled to set off occasional losses in the newer sections of the country against its profits elsewhere, but it would not be released from the requirement of extreme prudence in its management.

THE LARGE EXPORTATIONS of the products of the United States are having a very advantageous effect on the money market. There has been a struggle on the part of the European banks to prevent the drain of gold to the United States. In payment for the products which the European markets have been obliged to purchase, either our own securities held abroad, gold or merchandise must be sent. As yet there has been no increase in the importations of foreign merchandise. There seems to be no disposition to send over American securities, and the other alternative of sending gold appeared during the early portion of the month of October to be inevitable. From October 2d to the 23d, $7,771,822 in gold were received in New York city. Greater shipments were announced as probable, but at the present writing there has been a cessation of the flow of gold from Europe. In the mean time gold from Australia has been sent to San Francisco instead of to London, and further demands on the latter point from India have been apprehended. The Bank of England has raised its discount rate and put up the price of bar gold and eagles, taking every measure to prevent too large a drain of the precious metal. These devices of course have had some effect in diminishing gold exports to the United States but they do not explain the sudden cessation of what seemed to be a large and steady influx of gold.

It is claimed that the New York banks are lending money to London, and although this has been contradicted and slurred over, yet it seems highly probable. The method of this borrowing is said to consist in the New York banks carrying bills of exchange on London. It is stated that these bills are to be carried until January.

The country does not need any more gold at the present time, as the banks are overloaded with it and have in many instances commenced paying it out instead of currency, which has become scarce.

During the first three weeks of October the specie in the New York banks increased from 82 to over 100 millions, and the net gold in the Treasury increased from 147 millions to 151 millions.

The increase in the banks is largely made up of the gold sent from

Australia to San Francisco and from there sent to New York by registered mail. When the United States Treasury was in want of gold, California banks would exchange for legal-tender notes, the Government paying for transportation to the East, but with the supply now on hand it has not been deemed worth while to do so. The banks therefore when desiring to send the gold east do so by registered mail.

Since the gold does not seem to be required in the United States, it is just as well that the banks should make a profit by letting it remain in the English market. English financiers are perhaps in hope that before January this country may begin to take larger amounts of merchandise, or at least by that time the danger of a drain of gold to India and other points may have subsided. The low prices which prevailed for most kinds of American manufactures after the panic of 1893 led to the greatest exportation of manufactured products ever known in the history of the country. This has led to a knowledge and use of foreign markets which is likely to be maintained, and strengthens the trade position of the whole country and especially of New York as a great commercial centre.

If importations from foreign countries do not increase very largely it is not at all probable that the situation of financial advantage now occupied by the United States will be much changed by January, and then additional importations of gold may be expected.

In fact there is reason to believe that the conditions will be most favorable to so modify the currency laws as to place the Treasury beyond any future danger from presentation of its demand notes.

The only cloud that appears on the future of the Treasury is the continued deficiency in the revenues. But even this may be dissipated in time by increase of business under the present tariff, or by the imposition of some additional internal revenue taxes which will make good the deficiency. If this is done there will be no necessity of reviving any tariff discussion, and thus the agitations which changes in or additions to the tariff always give rise to will be avoided.

On the whole therefore the prospect is for a further increase in the tide of prosperity, which has been gradually rising.

THE REPORT OF THE SECRETARY OF THE TREASURY will be looked for with much interest by all who are interested in the reform of the currency of the country.

Notwithstanding the disposition in some quarters to relegate this great issue to a secondary place, it still continues to occupy the thoughts of all those who are really interested in the future permanent welfare of the United States. The cabinet recognizes the

important bearing that Mr. GAGE'S report will have upon the future action of Congress.

It is a matter of policy to determine whether in his report the Secretary shall or shall not suggest any definite plan or make any specific recommendations. In dealing with legislation the Administration must act with great circumspection, in order to overcome the indifference and the opposition of certain elements in Congress. A plan proposed by the Administration forms a point of attack for the opposition. When it was recently announced in the papers that Mr. GAGE had a plan of currency reform, it was soon after rumored that Senator TELLER was preparing a great speech in which he would proceed to tear the Secretary's plan to tatters.

Both of these announcements might have had no real ground to rest on, but they show the condition of latent repugnance in Congress to receive advice from the Executive.

The fight for free silver is by no means over. The failure of the negotiations for international bimetallism, while it strengthens the position of the sound money party, also simplifies that of those who are desperately fighting to secure a better market for the product of the silver mines. The principal obstruction to a clean issue has been cleared away. There is no longer any fence for the hesitators to flee to for refuge.

If it be true that there is a great combination among the producers of silver to raise the price of their product, by the establishment of the single silver standard, it is not the part of wisdom to underrate or seek to ignore its power. They have very much at stake. So enormous would be their profits if they succeed in bringing about the free coinage of silver that they can afford for some time to devote almost the entire product of the silver mines to the creation of a campaign fund to secure the desired result. The allegations as to this combination seem to be very strong and explicit. They are strengthened by the great activity shown during the presidential campaign of 1896. The agitation of that year was not carried on by means of wind acting automatically. The free silver gale which blew so terrifically during the whole of that canvas shows that there was powerful machinery working the bellows.

Perhaps it would be wise for the Administration not to afford any point of leverage by which the jealousy of the House and Senate can be brought into prominence, the reports of the Administration to Congress on the financial question being confined to an exposition of the dangers of the present currency laws, leaving the remedies to be applied to the wisdom of Congress. Whatever influence the Executive can properly exert upon legislation could be effectually used after such legislation is in progress.

Capable as Mr. GAGE is to prepare an adequate plan for currency reform in his report, his position and that of the Executive on this question might be much stronger if he refrains from so doing. There will be ample opportunity for him to bring the weight of his experience and character, of his capability to carry on successfully the finances of the nation, to bear after the question is definitely brought up in Congress.

In the present state of public opinion, and the absence of any other burning question of domestic welfare, to be brought forward at this session, it is almost impossible to conceive that the currency question will not force itself into notice immediately on the meeting of Congress. Like Banquo's ghost, it will not down. It is to be conceived therefore that there was much anxious thought bestowed on the treatment of currency reform in the report of Secretary GAGE and the President's message. And it would not be surprising to learn that they had arrived at the conclusion not to take a dogmatic position.

NEGOTIATIONS FOR INTERNATIONAL BIMETALLISM, which according to recent reports were being carried on with such hopeful prospects, appear now to have failed utterly.

The action of Congress in authorizing the President to appoint commissioners to sound foreign governments on the subject of an international monetary conference, and the appointment of those commissioners, has been the subject of much adverse criticism, the greater part of which manifests a short-sighted and captious spirit due to partisan opposition. But looking at this action fairly, and considering the necessity of definitely settling the possibility of international bimetallism, it must be concluded that the appointment of the commissioners has been a benefit to the cause of sound money in the United States. Mr. WOLCOTT and his associates have made a strong fight for international action, and their failure foreshadows the hopelessness of any similar efforts in that direction.

The international agreement scheme has been for years a sanctuary which has sheltered both the advocates and the opponents of currency and monetary reform. Men who were called statesmen and men who were called demagogues have alike hidden themselves in its recesses. It has been the pillar of cloud and the pillar of fire that has dazzled many and befogged more. When the silver craze was at its height it served the purposes of the friends of honest money in securing a necessary breathing spell during which the masses of the people could learn the truth. Each of the several attempts to secure an international agreement has failed, and it would seem to be wise for the United States to abandon further pursuit of this phantom.

PROFITS ON NATIONAL BANK CIRCULATION.

The following letter and the accompanying computation of profits on an investment in United States bonds as a basis for bank circulation have been sent to the MAGAZINE by Mr. W. F. Day, Cashier of the Sellersville (Pa.) National Bank:

"DEAR SIR:—We believe there is a good profit at present in buying Government bonds for circulation, and beg leave to submit the following statement of profit on cash outlay required on a $1,000 four per cent. bond, due in 1907. The investment is safe because based on Government bonds, and as the annual premium charge wipes the premium gradually out, no fears need be felt on that account. The five per cent. redemption fund releases an equal amount of reserve held for deposits.

Kindly reply if, in your opinion, the calculation is true and correct.

Par of bond	$1,000	Annual interest on bond	$40.00
Premium	120	One-tenth of premium is annual premium charge	12.00
Market price	$1,120		$28.00
Circulation on bond	900	One per cent. tax on circulation, and expense	9.46
Net cash outlay	$220	Net annual gain	$18.54
1st year's investment	$220		
Less annual premium charge	12		
2nd year's investment	$208		
3rd " "	196		
4th " "	184		
5th " "	172		
6th " "	160		
7th " "	148		
8th " "	136		
9th " "	124		
10th " "	112		
One-tenth of total	$1,660 is $166, or the average annual investment.		

This average investment ($166) yields $18.54, or 11.168 per cent., which is worthy of the security.

$10,000 invested in bonds at this per cent. would yield $616.80 more per annum than five per cent. municipal bonds at par."

The calculation of the profit to be derived by a National bank from the investment in Government bonds and the issue of circulation furnished by Mr. Day is one of that class that omits to make a proper comparison of the profits accruing from the taking out of circulation, with profits that can be realized from investing the same amount of money in some other way.

The question of the advantage of taking out circulation upon Government bonds is not settled by merely showing that the transaction is not unprofitable. Even if the profit on the given amount invested in such a transaction were as high as ten per cent. or more, yet if it could be shown that a bank can by investing the same amount in another way make a profit as great, there would be no advantage in taking out bonds.

The key to the decision of the question whether any particular National bank derives an advantage from taking out circulation when bonds are at a given premium is the current rate of interest that money brings when loaned in the usual manner. By the current rate of interest is meant the rate a bank customarily realizes upon its loans and discounts.

Mr. Day in his calculation assumes an investment of $1,120 in bonds. On this there is an immediate return of $900 in circulation, which may be supposed to earn its own interest. The bank then is still out $220 in cash. This he calls the investment on which he calculates profits. He reduces this investment during the ten years the bonds have to run to maturity by twelve dollars a year, which in the ten years will make up the $120 premium which the bank will lose when the bond is redeemed at par.

Making these annual reductions in the $220 considered to be invested, Mr. Day arrives at an average annual investment of $166. On this he calculates he receives $18.54 per year, or 11.168 per cent. Well, this appears to be true, but what of it? Is this so much better after all than he could do by investing the whole sum of $1,120 used to purchase the bond in loans and discounts in the ordinary business of the bank.

This 11.168 per cent. does not represent the actual advantage there is in taking out circulation, but only such portion of the 11.168 per cent. as is in excess of what he could make by loaning the annual average investment at current rates. Now he might invest the $166, at five per cent. in municipal bonds, he would receive $8.30. The advantage of circulation would then be $10.24 or about six per cent., but merely six per cent. on $166. Upon the whole investment of $1,120 the advantage would be only some nine-tenths of one per cent. Assuming that he could loan the $166 at six per cent. he would receive $9.96, or a little over seven-tenths of one per cent. on the original sum disbursed. Were the current rate of interest ten per cent., he would receive $16.60 on his $166, or an advantage of $1.94 only or between one-tenth and two-tenths of one per cent.

In order to understand the problem better it must not be confused by calculating in the partial and obscure manner which Mr. Day has pursued. By taking all of his factors and arranging them to show their true interdependence, the true nature of the advantage derived from taking out circulation may be seen more clearly.

A bank invests $1,120 in a four per cent. bond to run ten years, what are its profits by this investment over and above what they would be if the bank simply loaned the $1,120 at current rates on good notes. Assume first the current rate of interest to be five per cent.

Receipts of the bank.

$1,000 four per cent. bond of 1907, for ten years		$400.00
900 circulation at five per cent. for ten years		450.00
		$850.00

Outlay.

Premium sunk in ten years	$120.00	
Expense and tax	94.46	$214.46
Net profit in ten years		$636.54
Compare this with proceeds of $1,120 at five per cent. for ten years		560.00
Advantage in favor of circulation when current rate is five per cent.		$76.54

This result shows an advantage of about seven-tenths of one per cent. per annum in favor of taking out circulation. But as stated above everything depends on the rate of interest which a bank can obtain by the use of money in its ordinary business. Five per cent. is a rather low average rate.

It is not unusual for banks to obtain six, seven and even ten as the average annual rate on loans and discounts.

A calculation based on a rate of six per cent. would result as follows:

Receipts.		
$1,000 four per cent. bond of 1907, for ten years		$400.00
900 circulation at six per cent. for ten years		540.00
		$940.00
Outlay.		
Premium sunk in ten years	$120.00	
Tax and expense	94.46	$214.46
Net profit in ten years		$725.54
Compare this with ten years proceeds of $1,120 at six per cent		672.00
Loss by taking out circulation when a bank can loan at ten per cent		$53.54

A calculation based on a rate of ten per cent. would result as follows:

$1,000 four per cent. bond of 1907 for ten years	$400.00
900 circulation at ten per cent. for ten years	900.00
	$1,300.00
Deduct premium, expense and tax as before	214.46
	$1,085.54
Compare this with ten years proceeds of $1,120 at ten per cent	1,120.00
Loss by taking out circulation when a bank can loan at ten per cent.	$34.46

The following table shows gain or loss in ten years by taking out circulation at current rates from five to ten per cent:

Five per cent.	$76.54	actual gain.
Six "	53.54	"
Seven "	31.54	"
Eight "	9.54	"
Nine "	12.46	actual loss.
Ten "	34.46	"

Therefore, as has often been shown before, the current rate of interest derived by any bank from the use of money in its ordinary business is the criterion by which that bank must judge whether to take out circulation or not beyond what it is obliged to take out to maintain its organization.

In parts of the country where a National bank can make over eight per cent. on ordinary loans, the bank incurs a loss upon the money it has to invest in Government bonds to conform with the law. Where rates of four and five per cent. prevail, there is some profit in circulation. Where rates of six, seven or eight per cent. can be obtained, the profit on circulation is so small that it hardly pays for the extra labor and trouble incurred by bank officers in signing and redeeming and replacing mutilated notes, entirely outside of the actual expense of printing and maintaining plates.

If the profit were universally as great as Mr. Day's partial calculation would make it appear, it is very strange that bankers all over the country need to be aroused by a special circular to gather it in.

THE MONETARY COMMISSION.

ANSWERS TO INTERROGATORIES CONCERNING THE CURRENCY AND BANKING SYSTEM.

The Monetary Commission appointed by the Executive Committee of the Indianapolis Monetary Convention, held in January last, has sent out a number of inquiries relating to the currency and banking system of the country. These interrogatories, together with the replies of the Editor of the BANKERS' MAGAZINE, are printed below. The publication of the questions and answers is made with the consent of the Commission.

METALLIC CURRENCY.

1. Should or should not the silver dollars and silver certificates be redeemed on demand in gold? If redeemed what reserves should be provided and how?

Answer.—As a general proposition silver certificates and silver dollars should be redeemable on demand in gold. But the gold standard can be maintained by their indirect convertibility into gold, when gold is required, without a direct redemption.

By indirect convertibility is meant the reception of silver dollars and certificates by institutions of exchange from customers and the giving a credit which may be checked against for such amounts of gold as the customers may require.

If there is direct redemption it would be necessary for the Government to hold a gold reserve of at least fifteen per cent. of the outstanding silver dollars and certificates. This reserve would necessarily be acquired either from revenues, or the sale of bonds, or perhaps by the sale of some of the silver bullion now on hand, or bullion obtained by melting some of the dollars now held in the Treasury. For instance, if the Government could gradually sell dollars and bullion (silver) now held of a coinage value of $250,000,000 at forty cents on the dollar for gold, it could gradually accumulate a gold reserve in the neighborhood of $100,000,000. The remaining silver dollars would amount to $307,172,342. The account would now show $374,620,299 silver certificates outstanding, and $57,145,770 silver dollars outstanding; in all $431,766,069, protected by $307,172,342 silver dollars and $100,000,000 in gold. The Treasury notes of 1890 are not included as it is assumed that they are protected by the present gold reserve. The process of melting down silver dollars and selling the bullion for gold could be repeated as silver certificates and silver dollars were redeemed in gold. The process might from the beginning be a gradual one, continued as the market was found to bear the silver offered. In this way the silver certificates and silver dollars would by degrees furnish their own gold reserve.

2. What in your judgment would be the probable amount of silver dollars and silver certificates presented, if direct redemption were enacted?

Answer.—The amount of silver dollars and certificates presented if direct redemption in gold were enacted would depend upon the business conditions prevailing throughout the country at any given time. A very large proportion of daily payments is made to-day in silver dollars and silver certificates, and this use of this form of money in preference to the use of National bank notes, legal-tender notes and Treasury notes is strictly in accordance with the Gresham law.

This active circulation of silver certificates and dollars for ordinary transactions prevents under present conditions any great amount being available for presentation for redemption. They answer the purpose of those who receive money to pay it out again. People prefer to hold their surpluses in money more easily convertible into gold, and therefore all reserves public and private are usually held in legal-tender notes, Treasury notes and National bank notes.

The direct redemption of silver certificates and dollars in gold would change this condition somewhat, but the habit of making these silver notes and dollars do the commoner work of exchange would when business conditions were good prevent any very large proportion being immediately presented. The fractional silver is now redeemable in gold, and yet the recurring demand for it prevents any great presentation for redemption. It would be the same in a degree with silver dollars and certificates. A sudden enactment might cause the presentation of perhaps fifty millions. But if the change were introduced by degrees in the way suggested in the answer to question 1 there would be very few presented. The silver dollars and certificates are practically a superior variety of subsidiary coin.

It would be wise to require the certificates and dollars to be presented in sums of not less than $1,000. The denominations of silver certificates issued for dollars should be confined to five dollars and less. Large silver certificates, ten dollars and upwards, should only be exchanged for small ones. The demands of business would keep most of the small certificates and dollars constantly together.

3. To insure the permanent inviolability of the gold standard, what measures would you recommend?

Answer.—This would appear in one sense an impossibility, inasmuch as it is always in the power of one Congress to amend previous legislation. Approximately this inviolability may be secured by enacting:

1st.—That the gold dollar of specific weight and fineness shall be the sole standard of value.

2d.—That all paper money shall be redeemable, when presented, in gold dollars, under such special regulations as appear to be most suitable for each class of money.

3d.—That silver dollars shall also be redeemable in gold.

4th.—That the word coin in all bonds and obligations shall be construed to mean gold coin, unless silver coin is distinctly stated.

4. For the purpose of facilitating the use of existing silver currency, what do you recommend as the smallest denomination of United States notes and bank notes which should be put into circulation?

Answer.—United States notes, twenty dollars; bank notes, ten dollars.

DEMAND OBLIGATIONS.

1. Do you consider that there are any dangers arising from allowing the United States notes to remain as a permanent part of our circulation?

Answer.—There is in a broad sense danger from giving absolute legal-tender qualities to any form of money but gold coin. There is danger from the fact that they are liable to be presented for redemption at times when the Treasury is embarrassed, thus tending to injure the credit of the Government. They interfere with the functions of banks of issue and restrict the usefulness of the latter. It is not properly the business of the United States Treasury to issue demand notes. They are apt to be redundant at one time and scarce at others with no way of adjusting themselves to the actual demands of business. Nevertheless if both Treasury notes and legal-tender notes were reduced in volume to about $150,000,000, the main practical dangers of their redemption from time to time would no doubt be abrogated. Still to retain any of them might at some juncture be a reason and temptation to increase their volume to a dangerous extent, and therefore it would be better to retire them all.

2. On what grounds, if any, would you favor the gradual but entire withdrawal of the Treasury notes of 1890 and of the United States notes?

Answer.—It would relieve the Treasury from the necessity and expense of holding and replenishing the gold reserve.

3. If it shall be decided to retire the United States notes, how can it be done without adding to our bonded debt?

Answer.—By using United States notes as a basis for National bank circulation, instead of bonds.

The United States notes would be held in the Treasury just as bonds are now held. The Government as its revenues permitted could gradually substitute gold for them and cancel the notes. This process could be extended over a period so long that a very small amount of annual surplus revenue would in the end cancel all these notes. In the meantime they would cease to be a demand obligation. The notes of banks issued upon their security would take their place in the circulation of the country.

4. Meanwhile what security or gold reserve would you recommend?

Answer.—A very small gold reserve would be necessary. There would be no call for it unless a bank failed or went into liquidation. When this happened the Treasury would redeem the notes of the failed or liquidating bank in gold, and cancel a corresponding amount of the United States notes held as security.

5. How in that case can provision be made for maintaining an adequate amount of currency available for the purposes of business?

Answer.—Bank notes would simultaneously with the retirement of the United States notes take their place in the circulation.

6. If it be thought inexpedient to fund the United States notes, how can they be redeemed with an assurance that bank currency will take their place?

Answer.—The replies to the 3d, 4th and 5th questions show how this can be accomplished.

7. In case provision should be made for the retirement of the United States notes, how could their presentation for redemption be best secured?

Answer.—The banks will find it for their interest to deposit the United

States notes as a basis for their circulation. Once so deposited these notes will be in the physical possession of the United States, and they can be retired and cancelled just as fast or just as slowly as the resources of the Treasury permit.

8. Should Government issues be withdrawn only as bank notes are put out? That is if an elastic system of bank issues should be adopted, would it be desirable to define and maintain any given quantity of circulation?

Answer.—The retirement of Government notes being accomplished by depositing them as security for bank note issues, the bank notes will certainly be equal in amount and perhaps exceed the amount of the Government notes on which they are based.

To induce the banks to deposit the United States notes as security, for every $100 deposited the bank should be permitted to issue $130 of its own notes. The excess of thirty dollars would be secured by the general assets of the bank and by a safety fund. The limit of ninety per cent. of the bank's capital would however still be kept in force. Thus a bank of $100,000 capital could issue $90,000 in circulation on a deposit of $69,231 in legal-tender notes. Of this $90,000, $20,770 would be secured by a safety fund and be a first lien on all the assets of the bank. If the United States notes did not prove sufficient as a basis for all the circulation required, banks could be permitted to deposit gold coin as a basis for circulation.

9. Would the banks in fact furnish the currency which the country needs, if the Government notes were withdrawn?

Answer.—There seems to be no serious reason why they would not be able, and at the same time find it profitable to do so under proper inducements and restrictions. There is not a civilized country in the world where the banks have proved inadequate.

BANKING.

1. Is it possible to rely upon national bonds as security for circulation?

Answer.—If the debt were stationary or tending to increase, yes. If the debt tends to decrease, no. Because in the latter case the bank notes would gradually diminish in volume and finally become entirely inadequate.

2. Can any safe and practicable plan be devised for using any other securities as a basis for bank note issues?

Answer.—Securities other than national, such as State, county or municipal bonds, or railroad or industrial bonds, are too diverse in character and value, and are issued under conditions and laws so various that it would be a task of great difficulty if not of utter impossibility to base a homogeneous National bank currency upon them.

The general assets of a bank however made up of commercial paper and other valuable instruments which each separate bank selects and loans money upon in its capacity of a well-managed business institution, afford a rational security upon which the issue of bank notes can be safely permitted.

The various State, municipal and county securities, railroad bonds and industrial bonds, upon which banks loan money become part of the general assets of a bank. But as such they, usually if not almost invariably, have been selected with care and prudence and at their actual market value as collateral. Such securities constituting part of the regular assets of a bank form a basis for circulation of a different value from the same securities

selected for deposit with Government officers. The bank itself is an instrument for carefully weighing and appraising them. In this work it is brought in antagonistic relation to the borrowers who offer them as collateral. There are no political or other influences at work to cause them to be valued too highly.

No board of Government officers could safely appraise the enormous quantity of such securities that would be offered if they were legally made a basis of circulation to be presented and passed on in the same manner that Government bonds are now.

But even when these securities become part of the general assets of a bank, they are not as good a basis for circulation as commercial paper representing *bona fide* business transactions. It is upon such commercial paper together with other securities held that some of the safest and most successful banks in foreign countries issue their notes. There is no reason to believe that a bank circulating note system based on the general assets of each bank would not be as safe and elastic in the United States as in France or Canada, especially if the system were further strengthened by a safety fund.

3. If bonds should be used exclusively as a basis for issues, would it be possible thereby to secure an elastic note circulation?

Answer.—Unless there was an increasing supply of bonds of a homogeneous character, bank issues might be checked instead of stimulated when most required.

4. If bank note issues be based exclusively on assets of the bank, is the nature and extent of the security such as effectually to protect the note holder? What limit should be set to such note issues?

Answer.—Under proper regulations and limits, a circulation based on assets in the possession of a bank would be so secured as to adequately protect the note holder, especially with a safety fund provision. Such circulation should be limited to seventy-five per cent. of capital.

5. Since bank assets (including stockholders' liability, etc.) must be the means of ultimate redemption of such issues, what funds would you deem necessary to be held as a cash reserve for the immediate redemption of the notes; and in what form; and in whose hands?

Answer.—Twenty-five per cent. in gold for city banks, fifteen per cent. in gold for country banks, the percentage to be based on the amount of notes actually in circulation. This reserve to be held in the bank. In addition, five per cent. of authorized circulation should be held with a redemption agency to be established at the commercial center of the country.

6. In case of notes based on bank assets, what means can you suggest to obtain and preserve a high character of discounts?

Answer.—The same means that now are used, examinations and stric enforcement of law by the Comptroller of the Currency.

7. Can any watchfulness of other banks connected by locality or business connections be brought to bear on a bank to prevent bad banking? Can such a scheme be devised as in cities where clearing-house associations detect and punish weakness, by which country banks can be guarded?

Answer.—It is very doubtful whether widely separated country banks could find it convenient to form associations.

8. What plan of examination and inspection would you recommend?

Answer.—Examinations by competent examiners and reports to the Comptroller of the Currency or similar central supervisory bureau.

9. What methods would you suggest by which uniformity of note issues based on assets could be secured throughout the country? If by redemption, state where and how?

Answer.—The preparation and printing of all notes should be under the supervision of a central Federal bureau. All notes should be issued on a similar security plan whether on the general assets of the bank held by the bank, or on segregated assets deposited with the Government. Redemption should be made in the commercial center of the country by means of a redemption clearing-house. This should not supersede the necessity of redemption at a bank's own counter.

10. What, if anything, beyond provision for immediate redemption is needed for securing elasticity of note issues in periods of normal business?

Answer.—The experience of the Suffolk Bank system and other cases where genuine immediate redemption prevailed, has proved that such immediate redemption will secure elasticity of note issues.

11. In times of panic or sudden stringency, how would you provide for additional issues by the banks to enable them to continue discounts and prevent commercial distress?

Answer.—There should be a fixed limit to the issue of each bank in ordinary times. A good system of redemption for the notes of all banks, in the chief financial center, would tend to prevent periodical stringencies, but if stringency occurs banks may avert the worst, if permitted to exceed their normal issues for a time at least. These excessive issues, however, should be subjected to a rate of tax which will cause their retirement when rates of discount no longer make such issues profitable.

12 Of what should the bank reserves consist?

Answer.—Bank reserves on notes should consist of gold coin. On deposits any current funds redeemable in gold.

13. Should any National bank be permitted to pay interest on the current deposit of other banks?

Answer.—There should be no restriction on the payment of interest.

14. Should deposits of country banks in reserve cities be authorized to be counted as a part of the required reserve?

Answer.—Yes. This will aid in maintaining a system of redemptions.

15. What should be the minimum limit of capital for National banks?

Answer.—Twenty-five thousand dollars.

16. Should the existing ten per cent. tax on State bank notes be repealed?

Answer.—It should not if any uniformity of bank issues is to be maintained.

17. Should any National bank be permitted to establish branches under its single management? If so under what limitations, if any?

Answer.—There is no necessity for branch banks in the United States.

18. Should branch banks be obliged to redeem the notes of the parent bank and of other branches?

Answer.—The parent bank should be required to redeem the notes of all the branches, but a branch bank might be crushed by requiring it to redeem the notes of the parent bank and other branches at short notice.

19. Should branch banks be required to maintain any specified proportion of reserves to liabilities, independent of regulations for the general accounts of the parent bank?

Answer.—The branch bank should be under strict regulations so that it could always maintain its solvency during the time required for receiving assistance from the parent bank.

FOREIGN BANKING AND FINANCE.

The Means of Resuming Specie Payments.

An interesting discussion took place at the meeting of the Society of Political Economy in Paris on September 6, 1897, on the question, "By what methods should a country change from a depreciated to a sound currency without injury to public or private interests?" M. Arthur Raffalovich opened the discussion by reading from the budget report of M. Witte, the Russian Minister of Finance, for 1896, the declaration that "The reorganization of the monetary system ought to be effected in such a manner as to produce the least shock, to bring no artificial modification whatever to the existing state of things, since the monetary system constituted the foundation upon which rested all values and all the interests of property and labor."

M. Raffalovich expressed the opinion that this utterance represented the sound opinion regarding the method of changing from a paper to a specie basis. It was necessary, for accomplishing this result, to accumulate a considerable stock of specie, which should be defended and increased by a sound discount policy. The moment for resumption should be chosen at a time of general tranquillity, of durable peace, and when the exchanges were in favor of the country which might be carrying out the reform. Exports of the metal need not, in the opinion of M. Raffalovich, cause alarm or panic. What should be avoided was the conduct of conversions or reductions of interest upon securities held at home or abroad, which would bring them back into the country in exchange for gold and diminish their attraction for foreign capitalists. M. Raffalovich held to the opinion of Herr Bamberger, in regard to the rate at which conversion of paper money into the new standard should be made, who declared in the Reichstag that neither the average of past rates nor calculations of future probabilities should govern the matter, but the actual exchange at the moment when the transition was accomplished.

M. Raffalovich reviewed the history of paper fluctuations in Austria-Hungary and Russia and declared that in the latter country the reform was to-day an accomplished fact, lacking only application in secondary points and that gold already began to circulate. The principle which has guided Russian statesmen in the adoption of a rate of exchange, he declared, was that the rate should enrich no one at the expense of another and should be neither a cause of loss nor of unearned benefits.

M. Boissonade did not altogether agree with M. Raffalovich regarding the rate of exchange. He criticized the recent action of the Japanese Government in converting a silver yen into the half of the old gold yen. This course, he declared, was prejudical to individuals, the public pensioners, holders of the public stocks and all creditors. Their loss, it is true, would not be fifty per cent., but had already occurred little by little by the exchange rate between silver and gold. Heretofore, however, the holders of silver might have had a hope of relief from the influence of financial or economic events, but their loss was now liquidated and irremediable. M. Boissonade suggested

the query whether France would treat her silver in the same way and reimburse it at only half its face value. M. Adolphe Coste reminded him that the French silver was not depreciated money, and M. Boissonade replied that he was glad to obtain a declaration to this effect.

Prof. N. C. Frederiksen agreed with M. Raffalovich and gave an interesting review of the policy of the Government and Bank of Austria-Hungary. He declared that the different methods adopted for the restoration of specie payments and to obtain gold had in some cases defeated their object. In order to fill the reserves with gold, he said they increased the circulation of notes and instead of maintaining a rate of discount sufficiently high to attract gold in a natural manner and to have diminished as much as possible the circulation of notes, they preferred, because of private interests and in order to facilitate certain operations of the ministry of finance, to maintain a rate of discount lower than it should have been in view of the money market of the country. The consequence was a high premium, when parity of paper and gold, the real end of the reform, might have been reached with sufficient ease. It was only later that the Bank recognized the error and adopted a sounder policy, which destroyed the premium on gold.

Prof. Frederiksen believed that the restoration of gold payments at the existing rate of exchange was the proper course for any country and that it might properly be adopted by Greece. It was, he said, an unpardonable fault to debase the national currency instead of contracting debts even under the worst conditions, but it was a fault not less pardonable to increase the value of the money which had once been lowered.

The Bank of England Reserve

The proposition of the Governor of the Bank of England, to hold one-fifth of the metallic reserve of the Bank in silver bullion, under certain conditions, has produced a more profound feeling of uneasiness in London than is generally understood in this country. It has reopened among banking men the entire question of the security of the British financial system.

At the meeting of the corporation of the Bank on September 16, Mr. Robert Benson declared that he felt justified in saying, as holding £10,000 of stock in the Bank as a trustee, that he felt it his duty to confer with his cotrustees as to the course they ought to pursue in the event of the risk of the introduction of silver into their investment, and they came to the conclusion that if anything of the kind occurred it would be their duty to sell and so close the risk. He thought, however, that he was justified in inferring from the letter read by the Governor that the risk was remote, and that if it was to be incurred it would be in circumstances in which, in the opinion of the directors, silver would be as good as gold for the purposes of the reserve. The question whether the bank was not carrying too large a reserve was raised by Mr. John Jones, but the Governor stated that the directors considered that they held the reserve of the country and that to keep a high reserve gave confidence to trade.

The London "Bankers' Magazine" apparently regards the circulation system of the Bank as calling for close scrutiny and says incidentally, regarding the metallic reserve:

> "It must not be forgotten that the reserve of the Bank of England has been weakened since the year 1855 to the extent of £2,800,000 by the increase of securities held in connec-

tion with the reduction of the English country note issue. This is indeed authorized by the Bank Act, but it is a very unadvisable thing that the power should be exercised. We referred to this subject about a year since in this journal. We deprecated then any addition being made to the securities held by the Bank in its Issue Department. The basis of our note circulation should be the metal which supplies the standard of the currency of the country. We trust that the security of the bank reserve will not be impaired in this matter.

But in any case the right line for the bankers of the United Kingdom to take—should the Bank of England follow the course proposed, and keep silver as part of the reserve—will be to unite and take up the gold thus liberated on their own account, and to make arrangements with the Bank to hold it on their behalf. This would form the nucleus of a separate reserve from that of the Bank of England to be held by the bankers on their own account, and would maintain the banking reserve of the country at the same level as it would have stood at had no silver been held by the Bank of England."

Circulation of the Bank of Russia.

A new rule for the protection of the circulation of the Bank of Russia was formulated by the Emperor in a decree of August 29, 1897. This ukase recalls the fact that a fixed par of exchange was established between credit rubles and the old gold coins in the ratio of three to two by the ukase of January 3, 1897, and that it is desirable to bring the circulation into harmony with the new system. "In consequence of this, and in order to establish upon a solid basis the circulation of bills of credit," says the ukase of August 29, "we decree that bills of credit shall be issued under a gold guarantee by the Bank of State, in quantity strictly limited by the urgent needs of the money market. The amount of gold serving as guarantee for the bills of credit must equal half the amount of such bills put into circulation if this amount does not exceed 600,000,000 rubles ($300,000,000). The excess of bills of credit in circulation above 600,000,000 rubles shall be guaranteed by gold, at least ruble for ruble, so that every fifteen credit rubles shall be guaranteed by at least one gold imperial."

The presentation of the accounts of the Bank will hereafter be materially changed in accordance with the new arrangement. The issue and the banking accounts will be united into one, as in the case of the Imperial Bank of Germany and the Austro-Hungarian Bank, in spite of the fact that the security for the circulation follows the English system of limiting issues beyond a certain point to the amount of gold held. All of the outstanding note issues of the Bank of Russia are carried to the charge of liabilities while the gold holdings are made a part of the general assets. The account between the Bank and the Treasury is simplified in such a way as to wipe out obligations which offset each other and to reduce the nominal value of the gold rubles to the basis of the new standard. Thus 500,000,000 rubles in gold which have been held to secure circulation are raised to 750,000,000 rubles ($375,000,000) upon the basis of the new rate of exchange. The same rule is applied to a fund of 75,000,000 gold rubles belonging to the Treasury, which are raised to 112,500,000 credit rubles and applied to the reduction of the debt of the Treasury to the Bank. Thus the debt of the Treasury, which amounted to 568,778,167 rubles, is reduced by a sum of 362,500,000 rubles and will hereafter figure for 206,278,167 rubles ($104,000,000).

The gold funds of the Bank now reach a total of 1,131,700,000 rubles ($566,000,000), exclusive of 13,100,000 rubles ($6,600,000) held abroad against bills of exchange. The so-called exchange funds, heretofore set aside as the metallic cover for the circulation, make up 750,000,000 rubles of this amount

at the new rate of exchange. The Bank carried on September 8, to which most of these calculations apply, a separate fund of 50,800,000 rubles formerly held against a particular part of the circulation and 81,200,000 rubles in its general banking fund. The Treasury gold held, amounting to 112,500,000 rubles at the new rate of exchange, and the fund carried in the current accounts of the Bank to the credit of the Treasury, amounting to 112,600,000 rubles, make up the total to 1,107,100,000 rubles. The remaining 24,600,000 rubles which is in Russia is in bullion at the Imperial mint. The gold belonging to the Treasury but held abroad does not figure in this account, but most of the gold in Russia which has been in the hands of the Government seems now to have been transferred to the hands of the Bank.

Work of the Austrian Mints.

A recent report of the Austrian Minister of Finance affords interesting data regarding the gold and silver coinage of Austria-Hungary since the adoption of the monetary reform law of August 11, 1892. There have been coined at the mints of Vienna and Kremnitz 367,241,650 florins in gold pieces of 20 crowns ($150,000,000), of which 243,723,180 florins were coined in Austria, and 123,518,570 florins in Hungary. There have also been coined in 10 crown pieces ($4), 1,056,230 florins in Austria, and 10,518,470 florins in Hungary. The total of the new gold pieces coined represents, therefore, a value of 378,816,340 florins. The value of the new silver pieces is 78,272,750 florins, of the nickel pieces, 30,000,000 florins, and of the copper pieces, 4,413,365 florins.

The "*Economiste Européen*," of September 24, which presents these figures, calls attention to the fact that the total gold coinage exceeds the amount necessary for the redemption of all the state notes. The amount of silver crowns (40 cents) will be carried up to 100,000,000 florins (that of the nickel pieces appears to be already sufficient), and the copper money will be increased to 13,000,000 florins. The new monetary system thus amounts already to 900,000,000 florins, which is 18,000,000 more than in 1891, when the monetary reform was instituted. The Austro-Hungarian Bank has been steadily laboring to bring its notes to par with gold and has practically done so, but does not yet pay gold universally upon demand, but only where it is required for export or for some other special purpose.

Progress of Russian Savings Banks.

The deposits in the Russian Savings banks continue to increase, especially in the branches of the Bank of Russia and the Treasury offices. The total deposits in banks of all classes on April 30 were 446,920,117 credit rubles ($228,000,000), and the number of accounts was 2,203,862. This represents an increase since January 1 of 18,107,355 rubles, and 83,974 accounts. The increase during January was 11,219,734 credit rubles and the increase in the number of depositors was 48,439. The increase during February was 4,870,389 credit rubles, and in number of depositors, 20,766.

The branches of the Bank of Russia on March 1 held 149,759,613 credit rubles to the credit of 664,589 depositors, and the Treasury offices, 178,072,295 credit rubles to the credit of 709,121 depositors.

The postal Savings banks carry deposits of 53,921,082 credit rubles to the credit of 464,839 depositors. The number of postal Savings banks is

3,358; of Treasury offices, 638; and of branches of the Bank of Russia, 132. Some of the customs offices and the branches of the Bank of Russia at St. Petersburg and Moscow also receive Savings deposits, the latter amounting to 29,571,663 credit rubles at St. Petersburg, and 26,019,034 credit rubles at Moscow.

A Congress of People's Banks.

The ninth Congress of the popular banks of France was held at Lille during the summer and brought out some interesting discussions. The Congress included delegates from the Savings banks and also from the co-operative banks which grant credit to agriculturists and mechanics who meet the standards for membership in the associations.

M. G. Francois, in an interesting article in the "*Journal des Economistes*" for September, calls special attention to the fact that the Congress repudiated state support for popular credit and adopted the following resolution:

"The Congress reaffirms its belief that in France the foundation of a central agricultural bank by national endowment or guarantee of interest would be (1) An economic error, as exceeding the limits of legitimate intervention by the state and of a tendency to enfeeble the spirit of initiative and free association already insufficient in the country; (2) an unfortunate concession, in the actual condition of things regarding state socialism; (3) a new cause of public expenditure which would extend to the injury of the national finances; and (4) an artificial organization, tending to facilitate the creation of unprofitable societies or to sustain the operation of societies protected by public favor and to retard the natural formation of central banks by the normal development of local co operative associations."

The unwisdom of state interference in Savings enterprises was emphasized also by M. Eugene Rostand, who defined popular credit as responding to legitimate needs, such as operates in other countries with so much success and which permitted the popular banks of Italy to meet the crisis which proved so detrimental to more powerful institutions.

M. Charles Rayneri presented a report upon the modes of business of the Austro-Hungarian Savings banks in granting agricultural credit. He pointed out that these banks, governed only by a general statute, had invested in national securities only fourteen per cent. of their deposits and lent their aid largely to popular credit. M. Lepreux made a report upon the general Savings Bank of Belgium and its relations with agricultural credit, and came to the conclusion that the numerous state laws dictating the methods of business of the institution had not produced what was expected of them. He and M. Dubois, who discussed the same subject, agreed that the experience of Belgium was a new proof that private initiative is more efficient than the wisest legislative provisions.

Negotiable Wealth in Europe.

The report of M. Neymarck upon the work of the commission on negotiable property appointed by the International Statistical Institute has been concluded and published. The total, which is printed in the "*Bulletin de Statistique*" for September, is 446,000,000,000 francs ($85,000,000,000). M. Neymarck distributes this negotiable wealth among the various countries as follows: England, £7,246,902,736 ($35,000,000,000); Germany, 73,641,000,000 marks ($18,000,000,000); France, 80,000,000,000 francs ($15,500,000,000); Russia, 25,439,000,000 francs ($5,000,000,000); Austria, 11,680,800,000 florins ($4,500,000,000);

The Netherlands, 6,486,480,000 florins ($2,600,000,000); Italy, 17,500,000,000 lire ($3,400,000,000); Belgium, 6,193,419,000 francs ($1,200,000,000); Denmark, 2,054,679,000 crowns ($550,000,000); Roumania, 1,214,048,000 lei ($240,000,000); Norway, 600,000,000 crowns ($150,000,000).

It is pointed out in the "*Bulletin de Statistique*" that this large amount does not indicate with precision the negotiable wealth represented by the securities really belonging to each country. Many international securities quoted at Paris may be quoted also at London, Berlin and elsewhere. It is hoped that this computation will be made the basis of a more accurate investigation which will distinguish between the various classes of securities—whether those of governments, railways, banks or industrial companies; which will determine the nominal value as well as the quoted rates; which will ascertain the same facts regarding securities not represented upon the official bourse and will indicate the distribution of securities outside the country where they are issued. It is suggested that statistical information, following uniform methods, would be very desirable in each country, showing the annual issues of public and other securities, the conversion of securities, the admission of securities to the bourse and the regular quotations.

The Default of Venezuela.

The announcement about the middle of September, that the Government of Venezuela had suspended the payment of interest on the public debt, caused profound disappointment in Berlin, where four-fifths of the securities of the last loan are held. The amount of the loan, which was negotiated by the *Disconto Gesellschaft*, was 50,000,000 bolivars ($10,000,000) and was advanced upon the assurance that the money should be employed solely for rectifying the position of Venezuela towards earlier creditors. The Government announced that the funds had been thus employed and that a balance of 5,970,000 bolivars remained in reserve. The Government immediately proceeded, however, to issue Treasury bonds, to make loans from the local banks at eight per cent., to grant railway concessions with the guarantee of the State for the earnings, and to increase the expenses of all the departments, with a resulting deficit of about 20,000,000 bolivars in 1895. The feeling towards South American investments has become such that the news of the failure of the negotiations for the control of the Brazilian railways by the *Disconto Gesellschaft* and the London branch of the Rothschilds was received, according to the Berlin correspondent of "*L'Economiste Européen*" of September 24, with a feeling of profound satisfaction. Later reports indicated that the situation was not so bad as was at first stated and that the interest on the foreign loan of Venezuela would be paid by installments.

Banking and Financial Notes.

—The banking returns for the June quarter in the Australasian colonies show some decline in current accounts and other items, owing to the bad season. The total amount of coin and bullion held is £24,389,189, against £26,156,894 for the previous quarter and £26,934,644 for the last quarter of 1896. This decline in the reserve is due to a large demand for shipments, which is already estimated to have carried off more than a year's production of gold in Australia and New Zealand. The current accounts of the banks

declined from £100,757,828 at the close of the March quarter to £99,411,207 at the close of the June quarter. The largest net increase was £808,642 in the returns for Queensland, which was due to an increase of £857,898 in the Government deposits. The aggregate advances in all colonies for the June quarter amounted to £113,598,551, a decrease of £565,570 from the previous quarter.

—The postal Savings banks of Italy carried on June 30, 1897, 500,382,314 lire ($100,000,000) in deposits, representing 3,047,094 accounts. The net increase in deposits during June was 1,768,153 lire and in number of accounts 1169.

—It is expected in Paris that M. Magnin, the present Governor of the Bank of France, will retire from that position upon the enactment of the new charter, which makes his post incompatible with membership in the Chambers. "There are already several candidates in the field," says the correspond nt of the London "Economist" in the issue of September 25, "and their chances are freely discussed. M. Labeyrie, Governor of the *Crédit Foncier*, was at first the favorite in the political ring, but his chances have now diminished, and M. Pallain, Director-General of Customs, has a large following, and in the next place M. Leon d'Airolles, a high functionary at the Ministry of Finance. All those candidates would probably be passed over should M. Rouvier consent to exchange his seat of deputy for the functions of Governor of the Bank. He is a former Minister of Finance, and his qualifications are superior to those of his competitors."

—The General Bank of Roumania began operations in October, with headquarters at Bucharest and a subscribed capital of 20,000,000 francs. The capital has been subscribed to the extent of two-thirds by its foreign founders, the Bleichroeders and the *Disconto-Gesellschaft*. The object of the new institution is declared to be to supplement the work of the National Bank, which is not as liberal as is desired in the distribution of credit. It is expected that the new bank, by promoting large enterprises as well as minor ones, will give a new stimulus to the economic development of the country and reduce the current rate of interest.

—Baron de Merck, who promoted and organized the Bank of Mexico, which was recently established at Toluca, Mexico, presented a claim for $50,000 gold against the stockholders of the institution for his services. The claim was refused, and the case was placed in the hands of arbitrators for settlement. The latter gave a decision allowing Baron de Merck $38,000 gold.

—The Legislature of the State of Sinaloa has granted a charter to the Bank of London and Mexico for the establishment of a branch bank at Mazatlan, Mexico. A New State bank is also to be established.

—The Department of Finance has granted to Messrs. Hermanos, Palomo & Co., and Jose Breier a concession to establish a bank of issue in the State of Vera Cruz, Mexico, under the general provisions of the law of March 19 last.

—The production of gold in the Witwatersrandt region of South Africa during August last was 259,603 ounces, as compared with 213,418 ounces in August, 1896, and 203,573 ounces in August, 1895. This is the largest production in any single month since the opening of the mines and makes the total for eight months of the present year 1,890,513 ounces. C. A. C.

PRACTICAL BANKING DEPARTMENT.

HELPFUL HINTS DERIVED FROM EXPERIENCE.

REORGANIZING AN OLD BANK SYSTEM.

It sometimes happens that a bank that has been running a long time gets into a rut. The clerks grow, if not exactly careless, at least indifferent to appearances. Things lose that neat and orderly aspect which is so desirable. Mistakes are carelessly corrected or, it may be, not corrected at all. The work lags behind, pass-books are not balanced properly, accounts current neglected, small overdrafts allowed to run on, balance sheets not gotten off with absolute accuracy, and so on. By and by there is a general overhauling and the question is, what to do and where to begin? To reorganize an old system is just a little more difficult than to begin an entirely new one and the first point to be decided is which is the better way. The decision depends upon whether the objectionable features arise from inherent defects in the old system or from negligence in carrying out its details. Most likely the latter is the true state of the case, and if so there is nothing for it but to go patiently into every little detail and get things straight little by little. It is just like cleaning up a machine that has been fouled by dirt and neglect. Let us begin at the paying teller's desk and see how his work is done. How do his settlements run? Are his books kept in a neat and orderly fashion? Be particular to see that in his settlements he is careful to name the several items. Do not tolerate a list of figures without any indication to show exactly what each amount stands for. Look closely after any amount marked "sundries."

On no account permit "tickets" or "memorandums" to be carried for the accommodation of anybody. Insist that all totals shall be carried down in ink and the red lines neatly and carefully ruled. When there is an error in the settlement that cannot be found, and such will occur once in a while, charge it off to short and over account promptly. It is a bad plan to allow the teller to carry a "short" or "over" as a constant item in settling. The first teller's settlement should be entirely cut off from the settlement of the second teller, so that each may settle independently of the other. In many banks this is not the case, but the figures interlock so that an error of one teller may throw the other out. Get rid, as far as possible, of those little auxiliary books that some clerks love to accumulate around their desks. When they have to be used insist that they shall be kept in a neat and orderly manner.

Stopped checks, as a matter of fact, rarely turn up. Still it is well to be on the safe side, and for that reason the individual bookkeepers should have duplicate lists of all such checks. It is needless to say that the individual bookkeepers should not substitute for the tellers under any circumstances.

At the receiving teller's desk the work is apt to be slurred on account of the heavy rush at the end of the day. It is important to provide sufficient

force to keep the work at this desk well in hand at all times. All the receipts come through this desk and carelessness here may prove costly in the end. In making his cash settlement at the close of the day the receiving teller should state his balance in detail on his settlement book, not omitting to list definitely the smallest item. Do not tolerate any grouping of items for the sake of convenience. Go over the settlement book for some time previously and ascertain how the settlements have been running and look out for any regularly recurring amount in cash balance.

The general ledger should have particular attention. In an investigation, such as we have been considering, the general ledger is apt to be slighted because it is really a very difficult desk to examine properly.

The first point to be attended to is to see whether the clerical force at that desk is sufficient to do the work as it should be done. The general ledger in charge of an industrious man is likely to get a good deal more than its fair share of work and then, if the industrious incumbent is succeeded by an individual of the opposite tendency, the work is bound to suffer.

It is the greatest mistake in the world to run a bank with an insufficient clerical force. In the long run such a policy will cost double price.

The points to be particularly noted in the general ledger are neatness, accuracy and promptness. The first point will show for itself. As to accuracy, note the system of making counter-entries to correct errors and then follow this system along for a month or so and see how many errors it has been necessary to correct. Follow up some of these errors, and see how they originated and whether the corrections have been made all the way through. A correct balance-sheet does not always show habitually accurate work. One thing to look out for is the "lead pencil" balance sheet. A bookkeeper who takes pride in his work will most likely take off his sheet in lead pencil first in order to be sure that it is right. If not right, the error can be hunted up, and then when the sheet is finally correct a fair, clean copy can be made out for the inspection of the board. Take the trouble to compare the "lead pencil" copy with the one for the board and see that they always agree. It might just possibly happen that a discrepancy will be noted right here that may lead to something important.

As to promptness, the best test is the reconciling of the accounts current. If these are all up to date it is fair to assume that prompt work is a characteristic of the general ledger.

It might be well at this point to revise the list of correspondents and the special arrangements with each. Neglect on the part of the bank's executive officer is most likely to show up in this particular.

Have an eye also to the expense account. An excellent and easy way of keeping track of things is to number each voucher in the upper right-hand corner and then make the entry read like this: Gas Bill, Voucher No. 67. Reference can then be had to the voucher at once without any looking up of months or years. Beware of expense entries under the indefinite head of "sundries." Make a reasonable estimate of expenses for some given period, say six months and see how the total agrees with the total actually charged up. The same course may be pursued with reference to interest, rent and exchange accounts. See how the estimate agrees with the actual figures and account satisfactorily for the difference.

While every system has its advantages it is difficult to say too much in

praise of the thee-column balance ledger. Others may be shorter but brevity is gained at the expense of clearness and, what is not less important, the continuity of the narrative. In the general ledger there should be double balance columns, in order to show the debit and credit balances clearly. A double balance column will also show up overdrafts that might otherwise be hidden if there is only one column for debit and credit balances. In the individual ledgers one balance column will be sufficient, as debit balances are so few that they can be made in red ink. In examining the work of the individual ledgers look out for alterations and erasures. Note how errors are corrected and follow a few of them all the way through. Note whether the individual pass-books are balanced up promptly and correctly. Look where the balances are struck on the ledger and notice whether there have been any attempts to force a balance for a small amount instead of looking up differences.

If it is the custom for each individual bookkeeper to balance the books on his own ledger, a change ought to be made to the plan of having books balanced by an independent clerk, or let the bookkeepers balance each other's books. Notice whether checks and deposit tickets are assorted up to date and kept in a neat and orderly manner.

When pass-books are balanced or accounts current made up, an acknowledgment of correctness should be obtained from the depositor. This is not always easy, because so many men rely on the bank and will not put themselves to the trouble of reviewing the work and making sure that it is correct.

Each ledger should be made self-balancing by opening an account for a summary of the total debits and credits at the close of each day.

A regular balance-sheet should be taken off once a month with the names written in and once a week a proof sheet can be run off with the balances only.

In examining these ledgers an important part is the reviewing of the balance-sheets for some time back just to see how they have been running. Careless or inaccurate work will be almost sure to show up in the balance-sheets. Also look out for overdrafts and get down to the reason of each one.

The discount desk is very important and should be subject to rigid examination. Take it up point by point and insist on getting down to the bottom of things. In the first place the discount clerk should have a list of his bills receivable arranged in a book, each note listed under its due date. If he does not have such a book insist that one shall be made up. Check this list off item by item and see that each note called for is actually there. When the note calls for collateral of any kind, examine the collateral with the note. This takes time but it is time well spent. Add up the list and see that it proves with the amount on the general ledger. The discount clerk should certainly not take payments for the paper as it falls due. That should be done by the receiving teller or his assistant.

A careful examination of the form of collateral note in use should be made in order to be sure that it is in line with the latest decisions.

If there is no systematic credit department in connection with the discount desk, one should be organized at once. Properly maintained such a department can be made to pay for itself and will be a great help to the President and directors. Probably every bank keeps a discount ledger of some sort. See that this ledger is in good shape, and have a correct proof sheet taken off from the face of the ledger.

If the clerks have been at their several desks for a number of years it will

be an excellent plan at the end of the examination to shift them around. It is not good policy to keep a man at the same desk so long that he gets an idea that nobody can run it but himself.

The corresponding desk also requires attention. See that all letters and telegrams are neatly copied and the copy books kept indexed up to date. Notice whether sight drafts are sent off promptly the same day they are put in by customers.

Note the method of handling coupons. Coupons are troublesome to handle and this is a point where a careless clerk will be likely to leave his mark. Look over his letters at the close of business some day and see how they are ordinarily written. The letters should be added and proved either with the cash book or the postings on the general ledger.

Notice whether there is a systematic way of getting an acknowledgment of your letters from your correspondents. Go over the book on which collections are forwarded and note whether it is kept up promptly, that is whether there are collections outstanding that ought to have been reported on.

There are so many little things at every desk to be looked after that it is difficult to enumerate them all. Indeed the whole matter is really more a careful and thorough attention to details than any large alterations in the general system. Look carefully after the system of filing letters and other papers. The present improved systems on this point are far advanced over those in use a few years ago.

In regard to the general care of books and records it would be well to see how close the system under inspection comes to the old adage that bids us have a place for everything and to keep everything in its place.

A word in conclusion. In reorganizing an old system it is very important to have new books ruled up all the way through the bank and to see that the transfers from the old books are made in each instance by a clerk other than the one who has had the old book in charge.

BANK DEFAULTS AND BANK DIRECTORS.

It is not an unusual thing, when a great bank defalcation comes to light, to cast much of the blame on the board of directors. At times language is used the severity of which borders upon harshness. The duties of a director are laid down with much rigor by gentlemen whose acquaintance with practical banking barely extends to the possession of a very modest pass-book, and plans for future guidance are mapped out by theoretical writers who can scarcely tell one side of a ledger from the other.

With so much excellent advice so freely offered it is a wonder, indeed, that bank directors can longer go astray, but, as is not seldom the case with gratuitous advice, the best part of it is the good intention with which it is given.

Were the supervision of the clerical work the only duty of the directors they might well be blamed if it were shown that this duty had been neglected. So far, however, is this from being the case, that many of the best bank directors in the country would frankly say that supervision of clerical work was not part of their duty at all and, even if it were, that they themselves would be quite unable to perform it.

A bank occasionally becomes concerned in litigation. The directors engage counsel who, in their best judgment, are competent and trustworthy.

They co-operate with counsel as far as they can, but is it the duty of the directors to supervise the drawing of the legal papers, to direct the conduct of the case, to put the evidence in shape and to tell the gentlemen of the law how they are to make their arguments? Certainly not. It would be unreasonable to expect that. Is it not equally unreasonable to expect gentlemen, who do not even pretend to be expert accountants, to supervise the clerical work of the bank of which they are directors? There are bank directors, it is true, who are most admirable accountants. And where such is the case their services are always at the disposal of the institution. But it is idle to expect such work from men who are chosen by their fellow stockholders for entirely different purposes.

It will be well to briefly consider what are the qualifications had in view when a director is to be chosen. In the first place he must be a man of reputation and substance. Whatever other good qualities he may have, no one wantsas a bank director a gentleman who has not been able either to accumulate some means of his own, or at least to hold on to that which some one else has accumulated for him. His very name must carry weight, and the bank must gain and not lose by his entrance into the board.

A most desirable qualification in a director is an ability to get business for the bank. Executive ability is rare, but creative ability is rarer still. A dozen men can be found who can manage an enterprise with skill and discretion where only one can be had who knows how to create it, how to get the business and make it grow. And it is not seldom the case that such men are neither literary nor mathematical. The next most important qualification of a bank director is the ability to judge paper offered for discount, and not seldom to go out and hunt for it when it is not offered.

Now, the ability to judge commercial paper and to pass on loans and investments is not to be gained by poring over treatises on bookkeeping or solving problems in commercial arithmetic. The best business men are self-taught and self-made men who, in the course of their hard, practical education, have had little time for superfluities and "frills."

The direction of the general financial policy of the bank, especially in troublous times, is peculiarly the duty of the board of directors. The proper performance of this duty requires financial skill of a very high order and should the directors fail in this particular the bank will be very likely to fail.

Thus it will be seen that the directors have high and important functions quite apart from overseeing the clerical work of the institution. That this work should be well and throughly done goes without saying, and no one realizes this fact better than the directors themselves. When the bank suffers loss, they are usually the heaviest losers and, were there no other reasons, that alone would be sufficient to call forth their best efforts. But they are practical men themselves and as such they well know that it is worse than useless to undertake to do something that one knows very little about. For that reason a Cashier is selected whose special duty it is to direct and supervise the clerical work. In the choice of this important officer the directors use their best endeavors to select the most suitable man that can be found. Very often he is taken from the force in the bank and is one who has proved himself capable for the position. But after the Cashier has once been selected and placed in the executive position the only way to do is to hold him responsible for results and to let him follow his own methods.

Directors naturally keep a general lookout for the interests of the bank, but they cannot continually interfere with the policy of their executive officer. If that becomes necessary the only remedy is to get another man who understands his business better.

Similar principles hold good in every corporation. Consider for example the case of a railroad: The directors choose a President and with his advice appoint the general officers of the road, the general counsel, the general freight agent, the chief engineer, etc. But certainly it would not occur to the board to take personal direction of the work of any one of these departments. So it is with the trustees of a great hospital or of a university. They do their best to secure the services of experts in their several departments. That having been done they can only look to results to justify their action.

Practical bank men are so thoroughly acquainted with the situation that they have but scant patience with criticism so often visited upon the directors when an unexpected defalcation comes to light. There are black sheep in every flock, as the old saying is, and in every profession there are, alas! men who reflect no credit on their calling. And no one has yet found the touchstone by which the false can be told from the true.

SORTING DEPOSIT TICKETS.

A word as to sorting deposit tickets may not be out of place. It is the custom with many banks to sort tickets by days. That is to say the tickets for each day are strapped together, and at the end of the month all the tickets for the month are fastened in a bundle. It is much better to file the tickets of each depositor separately in the same way as the checks are filed. This system makes it easier to refer to a depositor's ticket when it is wanted and it also makes it practicable to prove both sides of the ledger in case the account is overdrawn. When a check is returned "not good" there is always a shade of doubt as to the correctness of the ledger, for even bank bookkeepers do sometimes make mistakes. When a book is balanced the tickets that have accumulated up to date should be strapped, the dates indicated and filed away in a separate drawer for possible future reference.

CLEAN MONEY.

Let our money be clean as well as "sound." Surely the most ardent advocate of silver would not object to our paper money being clean whether it represents the white or the yellow metal. A vigorous campaign for clean money should be inaugurated among our banks. The facilities for redeeming currency unfit for circulation are ample and there is no excuse for any teller paying out worn or soiled notes. A bank can score a good point by making it a rule to pay out nothing but clean money even at the cost of a little trouble and inconvenience to get it. Some paying tellers object to new notes because, as they say, the new notes do not slip so easily through the fingers. Or, to put it in another way, it is a little bit more troublesome to pay out new notes than old. Such an argument should not be allowed to stand for one moment in the way of accommodating customers.

THE AUSTRO-HUNGARIAN BANK.

(Continued from the October number, page 572.)

The Rules Governing Circulation.

The existing rules governing the circulation of the Austro-Hungarian Bank are based upon the English system of 1844, with some modifications suggested by the most obvious defects in the working of that system.

The original charter of 1817 fixed no limit upon the circulation or the metallic reserve, but required notes to be paid to bearer in coin on demand. The revision of the statutes in 1841 named no absolute limits, but decreed that the directors should fix from time to time a relation between the notes and the metallic reserve such as should enable the Bank always to meet its obligations. More rigid requirements were imposed in 1863. The limit of "uncovered circulation," which might be issued in excess of the coin reserve, was fixed at 200,000,000 florins ($100,000,000) and was required to be represented by good commercial paper, securities deposited for advances, mortgage bonds of the Bank not exceeding 20,000,000 florins, and the matured coupons of mortgage bonds. The mortgage bonds were to be counted for only two-thirds of their face value. Gold coin or bullion was allowed to be held to the extent of only one-quarter of the metallic reserve. This provision was quietly changed by a law of March 18, 1872, giving the Bank discretion in regard to its holdings of gold and silver. This discretion was availed of by the Baron Von Lucam, First Secretary of the Bank, in that year and the next to buy a large quantity of gold with silver in anticipation of the decline in silver which his keen intuition foresaw.*

Little change was made in the requirements regarding the protection of the circulation when the National Bank was transformed into the Austro-Hungarian Bank in 1878. A decree of October 30, 1868, had already authorized the Bank to include foreign bills of exchange among the securities for the uncovered circulation. The circulation up to the revision of the charter in 1887 had never exceeded 382,000,000 florins (the point attained on October 31, 1884), and the annual average from 1878 to 1885 was about 335,000,000 florins. The Act of 1887, extending the charter of the Bank until December 31, 1897, required that two-fifths, or forty per cent., of the circulation should be covered by the metallic reserve of gold and silver coin or bullion and that the remaining three-fifths should be covered by commercial bills, advances on bullion and public securities and foreign bills of exchange. The Bank was authorized to count as a part of its metallic reserve 30,000,000 florins in the state bills, which are a legal tender over its counters. The limit of uncovered circulation was left at 200,000,000 florins, but the exception was

* Prof. Max Wirth, "A History of Banking in Leading Nations," IV, 84. This transaction netted the Bank a premium of 13,500,000 florins, besides accumulating a gold reserve which was of great value upon the adoption of the gold standard. The silver was sold in London, Paris, Amsterdam, Brussels and Berlin, unknown for many months to the great banking houses and even to the directors of the Bank.

made that circulation might be issued in excess of this limit and of the coin reserve under a tax of five per cent. upon the excess.*

The adoption of the German system, of permitting an increase of circulation above the customary limit upon the payment of a tax, has made the circulation of the Austro-Hungarian Bank much more elastic and more adapted to the needs of commerce than during the twenty-four years for which the limit remained rigid. The attempt to fix an absolute limit, exclusive of deposits of coin and bullion, broke down in Austria, just as it broke down in England in 1847, 1857 and 1866. The first occasion in Austria was in 1866, when the reflex action of the English crisis affected the Vienna market. The Bank endeavored, even after this experience, to keep within the limit and found it necessary in 1869 to suspend for two years advances upon private deposits of bullion in order to avoid the violation of the law. The crisis of 1873 found the limit of circulation again so harmful, in spite of the conservative policy which the Bank had pursued, that a letter was addressed to the Bank by the Minister of Finance on May 13, 1873, revoking the provisions of Article 14 of the statutes of 1863. This decree was subsequently ratified by an ordinance of the Diet, suspending the limit of circulation at the judgment of the Bank. Extraordinary credits were thereupon granted to the amount of 64,451,000 florins in Austria and 30,119,000 florins in Hungary, and the circulation was above the limit in May and July and almost continuously during the last quarter of the calendar year. This action of the Bank contributed greatly to the relief of the business community.

The rise of the circulation above the legal limit has not been attended with the convulsions of former times since the excess has been sanctioned by law. The Bank has increased the circulation in accordance with commercial demands, but has always been restrained by the five per cent. tax, if not by motives of sound policy, from maintaining an excess of circulation beyond the most pressing demands. The weekly reports for five weeks in the autumn of 1890 showed an excess of circulation, which rose as high as 23,257,080 florins for October 31, but disappeared on November 14. The Bank passed through a similar experience in the autumn of 1891. No excess above the limit was required in 1892, but there were four weeks of excess in October and November, 1893. There was only one week of excess in 1894, but there were several in 1895, and the year closed with 31,200,000 florins in circulation subject to the five per cent. tax. The record for 1896 showed only three weeks of excess, of which the largest was that of October 31, when the amount was 7,285,000 florins ($3,600,000).

This expansion of the circulation now occurs without exciting alarm or attracting any special attention except by those who keep a constant eye upon the money market. The five per cent. tax is levied in the form of a tax of 5.48 of one per cent. for the excess shown by each weekly report, representing, as in the case of the Imperial Bank of Germany, a rate of five per cent. for twelve months of four weeks each. The elasticity attained under this system is shown by a glance at the figures for a few representative years since it came into operation. The maximum, minimum and mean circulation, and the amount outstanding on December 31, are shown in the following table.†

* *Bulletin de Statistique et de Législation Comparée*; Paris, May, 1886, XIX, 573.

† These figures are taken from the official reports, *Regelmassige Jahresfikung der Generalversamlung der Oesterreichisch-Ungarischen Bank*, kindly furnished the author by the officials of the Bank.

Year.	Maximum. (a)	Minimum. (a)	Mean. (a)	Outstanding Dec. 31. (a)
1890	471,376	387,888	415,570	445,934
1891	466,687	392,798	421,099	455,223
1892	491,709	381,371	425,959	477,987
1893	504,282	427,291	463,988	486,623
1894	517,742	409,349	458,911	507,808
1895	620,400	446,600	527,400	619,854
1896	668,009	536,832	587,656	659,726

(a) In thousands of florins.

The difference between the maximum and minimum here shown is usually equal to about twenty-five per cent. of the minimum, and indicates that the Austrian bank-note system furnishes, within the limit of its exclusive operation, a currency system as elastic as that of Canada or Scotland. This elasticity is revealed, moreover, in a bank-note system limited at present to three denominations of notes—ten florins, 100 florins and 1,000 florins ($5, $50, and $500). The Bank was permitted by a law of 1862 to make a provisional issue of one and five-florin notes and these constituted until the close of 1865 more than a third of the circulation. They were then assumed by the Government and no notes below ten florins have since been issued by the Bank. The proportion of bills of ten and 100 florins has gained rapidly upon these of 1,000 florins. The ten-florin notes increased in number from 12,146,039 at the close of 1880 to 28,841,296 in 1896 and the 100-florin notes from 1,027,765 to 2,440,254, while the 1,000-florin notes increased only from 104,386 to 127,188.

The Reserve and Discount Rate.

The Bank has had no difficulty in maintaining the required reserve of forty per cent. in metal and bills of exchange since that requirement was embodied in the law. The notes outstanding on December 31, 1896, were 653,689,550 florins, which were covered by a reserve of 448,276,940 florins, or 68.5 per cent. The proportion of gold to silver in the reserve has increased from year to year. The gold on December 31, 1889, was 54,266,584 florins and the silver was 162,203,583 florins. The gold had advanced on December 31, 1896, to 302,139,591 florins and the silver had declined to 125,744,338 florins.

The Bank of Austria-Hungary has pursued a conservative system in the regulation of the rate of discount, which has been midway between the policy of the Bank of England in raising the discount rate sharply in order to arrest gold exports, and the opposite policy of the Bank of France, in maintaining a uniform rate of discount at the expense of being compelled to purchase gold. The discount rate during the fifteen years from 1863 to 1878 was changed only twelve times and never went higher than six and a half per cent., while the rate at the Bank of England was changed 152 times and even at the Bank of France 46 times. * The rates have varied even less during the nineteen years of the history of the consolidated Bank. The rate of four per cent. for discounts has been uniformly maintained during the early part of the year, but advances to five or five and a half per cent. have occasionally been necessary during the autumn, which have continued into the winter. The last annual report, for 1896, states that the Bank strove successfully to

*Noel, 382.

keep the rate of interest steady at four per cent. after February 14, 1896, and was assisted by the two Ministers of Finance by the issue of gold from the national coin reserves. "The Bank did not allow itself," says the report, "to be forced from this position even by the temporary overstepping of the note limit exempt from taxation, and found so much the less occasion for doing so in the fact that the rates for bills of exchange did not appear to make it necessary to raise the discount rate."

The Volume of Commercial Discounts.

The volume of loans made by the Bank by the discount of commercial paper has grown steadily with the expansion of business in the two monarchies. The total of these operations is about eight times the mean, indicating an average discount period of about one and a half months. The total face value of the paper discounted by the old Bank was 366,943,602 florins in 1863, of which 271,149,471 florins was received at Vienna. The total discounts fell off slightly in 1867, but rose to 639,396,911 florins in 1871 and 877,266,856 florins in 1873. The development of the latter year was exceptional, owing to the speculative mania in Austria and Germany. The discounts fell in 1878 as low as 629,304,355 florins, and in 1879 to 565,686,840 florins.

The figures for 1891 were 970,846,246 florins; 1892, 889,242,924 florins; 1893, 1,038,621,207 florins; 1894, 1,076,106,751 florins; 1895, 1,250,400,000 florins; and for 1896, 1,200,780,026 florins. The year 1895 closed with 216,708 pieces of paper on hand representing 219,474,480 florins. The pieces purchased during the year 1896 numbered 1,355,036, at a face value of 1,200,780,026 florins, and the number paid during the year was 1,359,443 pieces, representing 1,202,662,342 florins. The net amount left on hand on December 31, 1896, was 212,301 pieces, representing a value of 217,592,164 florins, a loss of 1,882,316 florins as compared with 1895.

The growth in the number of small discounts, extending accommodation to retail trade, is indicated by the more rapid growth in the number of discounts than in the amount. The number of pieces of paper discounted in 1878 was 368,795. The number had become 550,829 in 1882—an increase of nearly fifty per cent.—and was 704,608 in 1887. This number has been nearly doubled in another ten years without anything like the corresponding increase in the value of the paper presented. The following table exhibits the number of pieces of paper discounted in the course of each year, classified by amounts. The totals differ slightly from the aggregate of discounts, because the latter includes a few warrants and special classes of paper:

Amount in florins.	*1890.*	*1892.*	*1894.*	*1896.*
Under fifty	13,583	15,413	20,609	29,147
Fifty to 150	149,710	176,349	239,617	325,593
Over 150 to 300	183,187	219,285	267,466	333,086
Over 300 to 600	166,022	181,283	216,405	255,037
Over 600 to 1,000	111,863	124,509	152,503	163,235
Over 1,000 to 2,000	93,481	96,686	123,391	128,521
Over 2,000	83,987	71,315	92,791	99,143
Total	801,833	884,840	1,112,782	1,333,762

Loans upon the deposit of securities constitute a considerable portion of the business of the Bank, but not so large a proportion as in some of the other great banks in Europe. The total of such advances during 1896 was 143,833,690 florins, and the average for the year at any one time was 30,121,000 florins. The maximum was 43,783,000 florins on January 7 and the minimum was 27,627,000 florins on September 15. The amount outstanding on December 31 was 33,414,900 florins.

The state of the accounts of the Austro-Hungarian Bank indicates that banking in the Empire is still in the primary stage, where loans are made from capital rather than from deposits, and note issues are a necessary adjunct for introducing the use of credit instruments among the people. There are several large banking institutions in Vienna and Buda-Pesth, but they also rely chiefly upon their capital and the proceeds of banking business rather than upon large permanent deposits. The deposit transactions of the Austro-Hungarian Bank reached a total of 3,969,483,159 florins in receipts during 1896, and 3,971,905,213 florins in payments, but the balance of deposits on December 31 was only 10,382,265 florins ($4,200,000). The Bank is used much more largely for the deposit of securities than current cash. Deposits of this sort are received only at Vienna and Buda-Pesth, but they amounted at the former, on December 31, 1896, to 113,410 deposits, valued at 656,920,621 florins, and at the latter to 6,598 deposits valued at 38,964,480 florins. Far the larger portion of these—amounting to 610,150,863 florins at Vienna and 36,737,582 florins at Buda-Pesth—are left with the Bank for management in the collection of interest coupons and other details of administration.

The Mortgage Loan Department.

The Austro-Hungarian Bank is one of the few great banks of Europe which have ventured without risk to carry on a department of long-time mortgage loans, by limiting the proportion of its resources set aside for this purpose and by keeping the service entirely independent of that of the short-term loans which afford the safeguard of the circulation. The mortgage loan department, abolished in 1841, was given a new extension and more definite character by the Imperial resolution of August 20, 1855, and the statutes established under it, which were approved on March 20, 1856. The new law prescribed that loans upon land might be granted in the form of mortgage letters or bonds, which were to be realized by the debtors themselves. The Bank, in other words, did not advance cash upon such loans, but lent its credit for assisting in placing them upon the market. This practice has been modified to the extent that the Bank negotiates the bonds upon the Bourse for a commission of one-half of one per cent., but even under this practice it is at some disadvantage against the mortgage banks which advance cash directly upon mortgages.

The limit of issues of mortgage bonds was fixed by the statutes of 1876 at 150,000,000 florins. The bonds were originally issued at five, four and a half and four per cent., but substantially all of those now outstanding are at four per cent., a little less than a third being for forty and a half years and the remainder for fifty years. Bonds are retired whenever the outstanding mortgages are reduced by redemption. The Bank is exempted from all legal restriction upon interest rates in making its mortgage loans and from all formalities which are not contrary to the laws governing such contracts. Its

books are accepted as evidence of a mortgage loan and it is authorized to claim the immediate execution of engagements against a debtor in default with fewer legal difficulties than other claimants. The Bank is authorized, when the payment of interest, capital or annuities is delayed, to make itself good out of any sums or securities in its hands belonging to the debtor on any form of account.

Investments in mortgage bonds of the Bank are permitted in both parts of the Empire by municipalities, corporations, charitable establishments under public supervision, and the trustees of trust funds and guarantee funds. The bonds are admitted to the Bourse, where they are regularly quoted. The Bank does not lend indiscriminately upon all forms of real property, but requires small landed properties to be capable of providing a substantial annual return in agricultural products and that houses shall be strongly guaranteed. Buildings devoted to industrial enterprises, like mills and factories, are not accepted as the basis of mortgage loans, except to strengthen the security for loans upon other property. Buildings upon which loans are made are required to be insured against fire in an Austrian or Hungarian company.

According to the statutes of the Bank, mortgages are granted only for half the value of the realty which is pledged, less the charges with which the property may be already burdened. A committee of the General Council determines the value of the pledge which is to serve as the basis for a mortgage, employing for this purpose judicial valuations, certificates of rent during several years, farming contracts, divisions between heirs, the official valuation, the impost paid upon real property, and the value of property and rentals in the neighborhood.

The borrower has the amount of his loan, after negotiation on the Bourse, transferred to his credit at the Bank, but is not able to draw upon it for thirty days after receiving official notice of the transfer. The borrower may have the amount put to his credit at Vienna or any branch of the Bank, as he prefers. The Bank accepts its mortgage bonds at their face value in the repayment of the capital which it has loaned, but the annuities and interest must be paid in cash, at Vienna or elsewhere, according to the preference of the debtor. The reimbursement of this capital may be effected in whole or in part before the date fixed by the contract, if the payment amounts to enough to cover one or several of the payments contracted for and if the borrower gives notice of his intention and indicates the amount which he proposes to pay at least six months in advance by means of a paper executed before a notary, or if he pays the interest for that part of the period of notification which has not expired. Failure to carry out such a pledge subjects the borrower to the same penalties as failure to execute the original contract.

The mortgage bonds issued by the Austro-Hungarian Bank, and before its organization by the National Bank of Austria, are stamped with the official signature and seal of the Bank and set forth the capital they represent, the rate of interest and the period for which they run, the pledge of the Bank for the capital and interest, and finally the attestation, signed by two commissioners of the Government, that the certificates are the exact representation of the credits of the Bank duly guaranteed and inscribed upon public registers. These certificates are payable to bearer and are provided with semi-annual coupons. The General Council of the Bank determines the rate

of issue and their denomination, which cannot be less than 100 florins ($50). The time of their maturity may be fixed by the Council or determined by lot, but cannot be less than twelve months.

The mortgage loan business of the Austro-Hungarian Bank has not grown so rapidly of late years as some other departments, because of the competition of the private mortgage banks. Loans upon landed security have attained less development in Austria than in some other European countries, and in certain regions, like the Tyrol, they have been discouraged by the Savings banks and the clergy. The amount of mortgage bonds of the Austro-Hungarian Bank increased from 39,644,900 florins on December 31, 1863, to 102,514,475 florins in 1877. The increase has been less rapid in the nineteen years which have followed; the total at the close of 1889 having been 103,449,400 florins, and at the close of 1896, 133,483,400 florins. The number of the bonds on the latter date was 84,257, of which 19,989 were for 5,000 florins, 30,124 for 1,000 florins, and 34,144 for 100 florins.

Four per cent. is now the rate of interest upon all except a few matured and unredeemed bonds. The fact that the mortgage business showed a decline in profits of 20,000 florins was made the subject of comment at the General Assembly of the Bank, on February 3, 1897, and it was suggested that the Bank administration consider whether it was not time to make loans at three and a half per cent., as Hungarian institutions of credit had already done, and thereby increase the volume of business. The Chairman explained that there were differences between the mortgage business of Austria and Hungary, but promised to take under consideration the reduction of the rate.

Administrative Machinery of the Bank.

The Austro-Hungarian Bank has been, to a large extent, under the influence of the Government throughout its career, because of the large loans exacted for public purposes; but the direct interference of the Government with the management has not been great. The Governor, under the existing charter, is named by the Emperor upon the joint nomination of the Ministers of Finance of the two parts of the monarchy. His compensation is 25,000 florins ($10,000). There are two Deputy Governors who are appointed by the Finance Ministers of each section from a list of three candidates from each section nominated by the General Council. These Deputy Governors, however, are in the nature of alternates for the Governor, like the Vice-President of the United States. The real working officer of the Bank is the General Secretary, who has his headquarters at Vienna. He has charge of all the ordinary operations of the Bank, the appointment of employees, and the decision of delicate questions of finance, except such general ones as are submitted to the General Council or to the directors. The General Assembly of the Bank, which chooses the General Council, is made up of the shareholders holding not less than twenty shares of the Bank stock. Only citizens of Austria or Hungary are permitted to take part in the General Assembly, and the annual meetings are held in February at Vienna.

The General Council, which meets usually twice a month, consists of twelve members elected for four years. Eight are chosen without restriction by the General Assembly and may be chosen from among the existing members of the Council. The other four are chosen from lists of four each submitted by the directorates at Vienna and Pesth. Persons not members of the

General Assembly may be chosen members of the General Council, but they must qualify by the possession of twenty-five shares and must not belong to any other banking or mortgage credit institution. The Council chooses from its own members an executive committee of four, of whom at least one must be a Hungarian, who supervise the work of the Bank. The presidency of this committee belongs to the Governor by virtue of his office. Two other officials are elected by the General Assembly who are known as censors and perform some of the functions of auditors. Under the direction of the Governor and General Council are separate boards of directors for Vienna and Buda-Pesth, each consisting of eight members besides the Deputy Governor and residing in the city where they perform their services. Each directorate is swelled by the two members of the Council elected as the special representatives for Austria or Hungary. These boards of directors meet weekly, apportion the loanable funds at different branches, and determine the credit to be accorded to large houses doing business with the Bank.

The supervision by the Government is exercised, not only in the appointment of the Governor, but through a special commissioner named by each section of the monarchy, charged with the duty of assisting at the sittings of the General Assembly, of the General Council and of the directorate of the branch to which he belongs, and having the power to suspend a resolution of the directorate until the question in issue is submitted to the General Council. Further appeal is permitted by the Government commissioner to the Finance Minister and from him to a special tribunal of arbitration, composed of members chosen from the judges of the courts. The General Secretary attends to all routine business and is assisted in making discounts by a committee at each of the central offices named by the directors and composed of merchants or manufacturers. The Chamber of Commerce is consulted in the choice of this committee, and the members are sworn to impartiality.*

The net profits of the Bank were a trifle smaller in 1896 than in 1895, but were larger than in 1894. The gross earnings were 11,072,647 florins, which were reduced by running expenses of 4,269,324 florins, to net profits of 6,803,323 florins. The dividend declared in favor of the shareholders was forty-three florins, forty kreutzers, or 7.233 per cent. as compared with 7.367 per cent. in 1895. The existing law gives a dividend of five per cent. to the shareholders, after which four per cent. of the remainder goes to the pension fund. The dividend is then raised to seven per cent., after which the remainder is divided equally between the Bank and the Government. The Government share has not been large and has been applied to the reduction of the advance of 80,000,000 florins made by the Bank to the Treasury. The amount thus applied for 1896 was 205,595 florins, making, with the tax due on excess of circulation, 220,914 florins, thus applied and reducing the debt to the Bank to 76,092,545 florins. The proposed new charter reduces this debt arbitrarily, by way of compensation for the privileges of the Bank, to 60,000,000 florins, and the Government is required to pay over to the Bank 30,000,000 florins in gold by way of a further reduction. The sum of 30,000,000 florins remaining due is to constitute a permanent loan free of interest during the continuance

*Noel, *Banques d'Émission en Europe*, I, 423-31. The new charter, now pending, proposes that a new Governor of the Bank shall be named by the Emperor every five years and that the General Assembly shall choose the six Austrian and six Hungarian members of the General Council.

of the Bank charter. A change is proposed by the new charter in the distribution of the profits, by which the Government is to receive half of the excess after the payment of a four per cent. dividend to the shareholders and two-thirds of the excess after the dividend has reached six per cent.*

The real property of the Bank was valued at the close of 1896 at 4,786,421 florins, of which 3,220,000 florins represented the property in Vienna and 1,010,000 florins the property in Buda-Pesth. The Bank has a pension fund of 5,260,395 florins. The number of employees is 694, of whom 350 are employed at Vienna, sixty-four at Buda-Pesth, and 280 at the branches.

THE ECONOMIC FUTURE OF AUSTRIA.

One of the striking features of the economic history of the Austrian Empire during the last few years is the rapid growth in the economic and political importance of Hungary. This growth has led to the desire among the Hungarians for more complete independence in their own affairs, even to the point of a separate financial institution. The value of a consistent system of banking currency, however, has finally persuaded the Hungarian Minister of Finance to concur with the Austrian Minister and with the officials of the Bank in the extension of the Bank charter. A sentimental concession to Hungary is made in the proposed new charter, in the provision that the meetings of the General Assembly shall be held at Vienna or Buda-Pesth, according as the greater number of shareholders entitled to take part are registered at one capital or the other.

The growth of the volume of discounts in Hungary has been so rapid as to several times threaten to overtake the amount at Vienna and the Austrian branches. Back in 1875 the volume of commercial discounts at Vienna was 51,109,319 florins, while the volume at Buda-Pesth was only 16,853,181 florins. The business done at the branches was then of comparatively small importance. The discounts at the Hungarian capital had so far gained upon those at Vienna in 1890 that the latter amounted to 53,253,903 florins while those at Buda-Pesth were 35,688,570 florins. There has been for twenty years little actual growth at Vienna, in spite of some fluctuations. The transactions at Buda-Pesth steadily grew until 1895, when they exceeded those at Vienna by nearly 12,000,000 florins, but there was some falling off in 1896. The discounts of the latter year were 57,114,962 florins at Vienna, 73,447,845 florins at Austrian branches, 53,219,460 florins at Buda-Pesth, and 33,809,896 florins at Hungarian branches.

Some difficulty has been experienced in Austria-Hungary by the withdrawal of the small notes of the Government in advance of the actual circulation of gold coins. An elaborate inquiry was recently set on foot by the Society of Austrian Economists at Vienna regarding the best means of strengthening the gold standard, putting gold in circulation and raising bank notes and paper money to par. The country has become so accustomed to paper money that, in spite of the coinage of silver of limited legal tender power, there is much disinclination to carry silver to the amount of ten or twenty crowns in order to make change for bank notes of ten florins. The system of postal Savings banks, which transfer small amounts of money between different places by a form of check, has met in some measure the demand for means of exchange, but these means prove insufficient in many

* London Economist, March 20, 1897, LV, 421.

cases in the absence of the full extension of the use of instruments of credit. It would seem that this demand for a circulating medium would prevent any serious pressure upon the Bank for gold and would permit the full resumption of gold payments. Much timidity still exists, however, on this subject and a variety of opinions was expressed by the prominent financiers and students who replied to the questions of the Society of Economists.

The effect of the outstanding issues of Government paper is still feared, although they have been reduced from 312,000,000 florins four years ago to 112,000,000 florins at the present time. There is fear also that the exchanges may turn against Austria and drain her of gold and that the complications of European politics may at any moment force her into a war, which will have the effect of previous struggles in undoing the work of her most enlightened financiers for the restoration of gold payments.* Indeed, all through Austrian financial and commercial society, in spite of the brave steps taken in 1892, still reign the self-distrust and feeling of financial weakness which are the results of many years of the disease of Government legal-tender paper, described long ago by Prof. Sumner, with special reference to Austria, as "an invalid state with occasional fever." With a vigorous demand for a more ample circulating medium, with a great store of gold, and with the record of a most creditable resolution to restore the public finances to a sound basis, Austria continues to reap, as the United States has done during the past four years, the belated fruits of the seeds of financial fever which were planted in her system many years ago. CHARLES A. CONANT.

* A. E. Horn, in "*Journal des Economistes*," March, 1897, LV, 395-99.

PROPOSED CHANGES IN HAITI'S FINANCES.—Minister Powell writes from Port au Prince under a recent date substantially as follows:

"A proposition is now pending before the Chamber of Deputies to consolidate the several debts of the Republic into one national debt, destroy the paper money in use, and substitute a gold currency based on the United States gold dollar as a unit of value. The Government will endeavor to secure a loan from some large banking houses in the United States to the amount of $6,000,000, the rate of interest to be six per cent. per annum. The present debt consists of: (1) Debt contracted under President Domingue (interest at five per cent.), $4,220,152; (2) debt due from 50,000,000 franc loan (interest at six per cent.), $9,300,000; (3) debt converted and consolidated (five per cent.), $4,205,050; (4, 5, and 6) bonds not convertible, bonds accepted for customs, and treasury bonds (six per cent.), $1,341,451; (7) other treasury bonds (seven per cent.), $922,538; (8) $5 bills issued by President Legitime, to be paid at eighty per cent. of their face value (gold), with interest at twelve per cent., $6,373; ((9) paper money in circulation, $3,873,539; current loans, $3,006,650; total amount of debt, $26,875,784.

The Government hopes by means of the loan to reduce the present high rate of premium (now 180 per cent.) and raise the value of the bonds. The interest on these bonds is to be paid in gold at the above-named rates. The present rate is five per cent., payable in Haitian paper currency, which is a legal tender for all dues collected by the Government through the customs. The rate of exchange is controlled by two or three bankers who loan money to the Government at a high rate of interest—eighteen per cent. per annum."

THE PRESENT MONEY REFORM OF AUSTRIA-HUNGARY.

History often repeats itself, and since there is a movement of the free silver men who try to force their views upon this country, it is well to recall as a warning the story of the disastrous experience of the Austro-Hungarian Monarchy with respect to its currencies.

Frequently during the last century the very existence of the Vienna Government was menaced, and the danger did not pass away until the monetary system was brought to a fundamentally sound basis. This wise and necessary reform was brought about by the joint action of the two Governments of Austria and Hungary, which actually established three years ago the much desired and long needed gold standard.

Prior thereto, or from 1857, the Monarchy had maintained a combined bank note and silver currency and was thus kept at a great disadvantage compared with other European countries which had adopted the gold standard long before.

In course of time it had become quite apparent that both states, being united by political, commercial and financial ties, could not sustain any longer the deficiencies and losses arising from the inferiority of their former money system that at all times had been detrimental to the wealth, the credit and the commerce of the nation.

The financial history of the Danubian Empire therefore most forcibly serves as a warning example, pointing out what perils other states would invite by introducing free and unlimited coinage of silver.

What results such an experiment would produce may be inferred by reference to an official report of the Treasury Department in Vienna, which explains the experience Austria had with silver, as follows:

"Throughout all the years since 1857 the population of the Empire was forced to pay heavily on exchange for silver and the premium for gold was proportionally excessive. The price of silver in London, which had begun to shrink in an abnormal ratio since 1873, was at the end of June, 1878, for a demand draft from Vienna £10, 5s., 2¾d., per 117 florins twenty-two kreuzer. This was the first striking instance that the price of the Austrian currency was a higher one than that of the metal. This has since repeated itself often, and Austrian speculators took at once advantage thereof by having florins coined from their own bullion. When at last a silver inflation was menacing, the Governments of Vienna and Buda-Pesth felt compelled to protect their currency by prohibiting in 1879 a further free coinage of silver, a measure which had likewise been adopted by countries belonging to the Latin Union. This exempted simultaneously the Austro-Hungarian National Bank from the statutory obligation to exchange upon demand silver bullion with forty-five florins in notes for one pound of silver.

While, for instance, the mintage of hard coin in *one* of both metals, viz. in silver, was prohibited, the other metal, gold, remained unchanged and formed thus an entirely rational basis of monetary trading, which in this manner continued its regular relation to the international market of money and precious metals. The entire circulation of standard money, be it silver or notes guaranteed by metal, or notes not guaranteed, had, according to the

international silver market, lost its former value, and its rating became simply dependent upon business complications of the most intricate and serious nature. It was money based upon credit. Consequently the currency of the Monarchy had on account of the inhibition of free coinage of silver, not to pass through that depreciation and price fluctuations, which in case of the maintenance of free coinage would have prevailed in accordance with the fluctuations of the price of silver. In comparison the currency of British India, where silver currency has remained *de facto*, proves absolutely an entire accord with the fluctuation of the price of silver on the world's markets and of the quotation of the Indian currency money, the rupee. From 1871 to 1887 silver and rupee fell about twenty-five per cent. in value. On the contrary the Austrian currency, from 1871 to 1889, took part in quickly changing fluctuations at an average reaching sixteen per cent., but it never experienced a depreciation as silver did."

The gold standard was decreed for Austria-Hungary in August, 1892, but it will of course take some years before the "*Krone*" (crown) has been duly established at large. As a considerable amount of the old florins is to-day still in circulation, and as the gold reserve has not reached its statutory point, about three per cent. premium has yet to be paid for gold.

Of the new money twenty crowns are equal to 4.0526 dollars. By law only the free coinage of these twenty crown gold pieces is permitted to the public. One twenty crown piece contains 6.09756 grammes of gold and weighs, as one-tenth of copper is added as alloy, 6.775067 grammes.

Mr. Gresham, quondam English Mint Director, made the striking remark, that "bad money would drive out good money;" that is, wherever a standard currency exists besides a currency subjected to fluctuations, the full-valued money will be exported for profit. Austria had to go through such a sad experience, and thus was her depreciated currency to a great extent responsible for constant hard times.

In Austria the ratio ranged proportionally from fifteen to nineteen in the various periods of silver issue, but as the state had practically no gold currency of its own, this had to be calculated on the basis of foreign exchanges. The natural results of the uncertainty of the value of the coinage brought it about that at times five per cent. loans were raised to fifteen per cent. In such poor circumstances were the Austrian finances at times that the Treasury in Vienna could not keep the silver coins within the country. This is a good proof of the correctness of the afore-mentioned remark, that bad money would drive out good money.

Millions of the old Maria-Theresa Thalers, for quite a period the best money Austria had, have remained as currency in the Levant and Abyssinia. Ivory and slaves have been bought with them, and in fact this coin was the actual medium of barter wherever the Arabian trader came to penetrate. At the present time though this ancient coin is gradually being superseded by the coinage of the Congo Free State.

Formerly the Austrian silver coins were seen just as frequently in the Eastern Asiatic trade, but the Chinese and Malays have long since become aware of the cheapness of silver as well as their eastern neighbors, and the cheap and purer Mexican dollar has taken the place of the clumsier Austrian coins. The bulk of these old financial tokens have, however, never returned to Austria again. If so, however, it would have been a double loss.

The financial difficulties of Austria were in fact perpetual ones after the Vienna Congress in 1809, and all endeavors to improve the situation proved fruitless until recent years. From 1809 until 1848 the Government had tried

to change the paper currency into a silver currency, when the great revolutionary tide destroyed all thoughts of reform. The Vienna Government owed at that time forty-seven millions of florins to the Austrian National Bank, and the silver coins became so scarce that their export was prohibited by law and the paper florin given a compulsory par value.

In order not to lose its entire credit the Government had to mortgage the salt works at Gmunden, Aussee and Hallein (in Austria salt is a state monopoly) for 111,500,000, and as the demands upon the State were steadily increasing because of the maintenance of two strong armies against Hungary and Lombardy-Venetia, new paper money had to be issued, even in scrip as small as ten kreuzers.

After the restoration of peace new attempts were made for changing the currency into the silver standard; the premium paid upon the white metal in London was then, however, too high: 1849, 13.85; 1850, 19.82; 1851, 26.05 and 1852, 19.45 per cent. premium was paid. The state paper debt had steadily increased. At the end of the revolutionary disturbances it amounted in 1849 to seventy-one millions, and at the beginning of 1854 to more than double that amount, viz., 150 millions. It became apparent that such an enormous increase of partly imaginary or flat money would undermine the credit of the state entirely.

Therefore the printing of forced currency scrip was stopped, and in March, 1854, all types, lithographic stones, steel engravings, etc., employed in its manufacture, were destroyed by the Government.

The first attempt to secure an improved money system on a silver basis was frustrated through the Oriental disturbances when custom duties had to be paid in silver. The Government had to pay them for the loans contracted with the National Bank over five millions of florins annually, while the profit derived from the state domains did not even amount to three and a half millions.

The year 1858 brought the first actual relief when the forced paper currency was abolished and all paper money ordered to be withdrawn from circulation. The notes were declared legal tender and they had to be secured by a deposit of an actual third of silver or gold in the National Bank; the balance of two-thirds had to be guaranteed in State bonds. The metal system instituted for the new state of affairs was: one florin to be the forty-fifth part of one pound of silver. At the end of 1858 the National Bank held in silver bullion 103½ millions and 388½ millions standing out in bank notes. Of the latter there were 100 millions covered by the mortgages in state domains; so that one-third of the outstanding notes was virtually covered by white metal. The prospects, now very favorable and promising, changed almost with the words spoken by Napoleon III, on New Year's day, 1859. Austria was dragged into a new war, and the National Bank had to be once more relieved of the obligation for payment in silver for the new war loan of 200 millions of florins. Besides a loan of £3,000,000 was contracted in London. The silver premium increasing from par to 53.20 per cent. through the war year of 1859, reached an average of 22.16 per cent. Silver went then as high as 62 1-16 pence per ounce standard. The war had cost Austria not less than 137 millions and the deficit reached eighty-four and a half millions.

With the restoration of peace the necessity of straightening the financial affairs of the Empire became apparent at once, and the Government appointed

for the purpose a permanent "board of redemption of public debt." Through the arrears of taxes in Hungary amounting to thirty millions for the years 1862 and 1863, the general uneasiness increased and the silver premium retained its enormous figure. It advanced to 50.03 per cent. and averaged 41.25 per cent. during 1861. In procuring the silver necessary for coinage the financial department of Austria lost for that one year not less than twelve, and in 1862 ten, millions of florins. From year to year the budget of the state showed a deficit, and consequently the state loans increased steadily and heavily, and all new taxes levied upon the merchants, lawyers, bankers and the people in general could not relieve the situation, which grew still graver as time passed.

At the end of 1861 the National Bank had an actual silver reserve of ninety-nine millions and the circulation of bank notes had reached 469 millions. At that time the financial peril of the Empire was discussed thoroughly in Parliament, and Mr. von Plener, at that time Secretary of the Treasury, said: "The abolishment of the calamity of the discount of our bank notes, which is detrimental to sound financial standing, would restore the reputation and power of the Austrian name. The depreciation of our currency was caused by an immense multitude of bank notes for which could not be provided a proper and sufficient redemption in the best metal possible."

After the question was fully discussed in Parliament and decided upon by the Government, a new contract was made with the National Bank, by which the former was given until 1866 to repay 137 millions of a total debt of 221 millions.

But once more it was shown that good intentions were of no avail, for the commercial crisis of 1864 and the wars with Denmark, and in 1866 with Prussia and Italy, brought about the old and deplorable state of affairs. Loan after loan was needed by the bankrupt State of Austria and forced currency for paper money ruled throughout the Empire. Small scrip printed again and in haste was given out in large sheets, and the people had to cut off what they needed. For a loan of ninety millions of florins in gold contracted in Paris, the Government received but sixty-one and a quarter per cent. in exchange, and for a loan of sixty millions the Government had to mortgage its forests, and when peace was restored again an indemnity of war of twenty million thalers (one thaler equal to seventy-five cents) had to be paid to Prussia.

Austria had then suffered to the greatest extent. Her expenses during 1866 amounted to 729 millions and her income to 472 millions only. The silver premium during the wars went up to forty-one per cent. and at the end of the year 1866 it was still thirty per cent.

When in the year following the unlucky war Hungary gained her independence, the joint Governments of the Empire and the Kingdom decreed the re-establishment of the gold standard to take effect at a proper time in future. In 1871 the Bank Institute of the two Governments of Vienna and Buda-Pesth which had then been named the "Austro-Hungarian National Bank," had accumulated a gold reserve of thirty millions of florins, and when in the same and in the following years silver in London reached 60 1-16 to 61⅛ pence, Austria exchanged the greater part of her silver for gold. She continued to do so. In 1878 her gold reserve amounted to more than eighty millions of florins. As Germany through the gold standard became more and

more predominant in the international market of precious metals, and as the Austrian manufacturers and merchants could not compete on account of the losses of exchange and premiums paid here and there, and as further the maintenance of the triple alliance devoured immense sums, the financial administration of the Monarchy hastened the change to the gold standard.

Austria felt the consequences of constant financial disturbances and indebtedness and was thus twice driven into bankruptcy. From paper she changed to unsecured forced currency, then to silver, and from the latter two to the yellow metal. This was the natural course to stability and safety.

The Danubian Government has thus by bitter experience become a master of the science of finance and would not for a moment entertain the suggestion of returning to the free coinage of silver. As well as in the United States there are sound money men all over the civilized world who not only believe, but know, "that the basis of sound trade is sound money." Gold means confidence in state and commerce, and a man whose labor is his capital should stand for gold as his best friend.

OTTO P. EBERHARD,
Late Austro-Hungarian Vice-Consul.

NEW YORK.

AN INTERNATIONAL BANK.—At the convention of the Board of Trade and Transportation, held in New York on October 15, Wm. H. T. Hughes, of New York, spoke in favor of the establishment of an International American Bank for the transaction of business with South American countries. Extracts from Mr. Hughes' address follow:

"Our commerce with the countries south of us is, with but very few exceptions, financed through London. Every pound of raw material imported, and every manufactured article exported, pays more or less tribute to the London banker, who sits contentedly in his luxurious bank parlor and makes a handsome living out of the American people, because they do not know enough or have not enterprise enough to do their own banking.

Why is it that we do such a small share of the business of this hemisphere? While we buy about a quarter of their products, we only sell them about ten per cent. of their imports and allow Europe to have the lion's share of the business; because, while our European neighbor has ample means of transportation and ample banking facilities at his command, we have virtually none. If an American merchant wishes to go out and study the markets of South America, he must, if he wishes to do so with any regard to his personal comfort, go and come *via* Europe. If he wants money to buy goods out there, or even to pay his travelling expenses, he must carry a letter of credit from a foreign banking house in his pocket. Everything must pay tax to Europe. The establishment of the International American Bank would greatly assist in the development of our trade by giving facilities to merchants and manufacturers, by promoting the establishment of steam communication and by the establishment of agencies in the several republics south of us, which would be more beneficial to commerce than a dozen consulates or legations; by enabling our merchants to get direct and reliable information as to the standing and credit of their correspondents—in fact, the functions of the bank, tersely put, would be to promote commerce.

The opponents of the scheme claim that London is the banking centre of the world, and that it is useless to attempt to divert the natural course of banking and trade. I will admit that London is to-day the banking centre of the world, and the clearing-house of the commerce of the world, but that is no reason why it should always be so. There was a time when we could not build a railroad in this country without first consulting the bankers of London as to ways and means, but it is not so to-day. There was a time when London ruled our New York Stock Exchange, and prices went up or down in sympathy with London. It is not so to-day. Why may not Greater New York, with the aid of her many enterprising citizens, become first the clearing-house of the business of this hemisphere, and later on, the clearing-house of the commerce of the world?"

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

DEPOSIT WHEN BANK INSOLVENT—KNOWLEDGE OF OFFICERS—RIGHTS OF DEPOSITORS.

New York Supreme Court, Special Term, Kings County, July, 1897.

STAPLETON *vs.* ODELL.

One may reclaim property deposited in a bank which is guilty of fraud in that he who received the deposit knew the bank to be then insolvent, unless such deposit is in the hands of a *bona fide* holder.

In view of Pen. Code, § 601, providing that one who receives a deposit for a bank, which he knows is insolvent, is guilty of a misdemeanor, proof merely of the insolvency of the bank when a deposit was made does not justify an inference that the officers and directors knew of such insolvency, so as to permit the depositor to recover back the deposit as for fraud of the bank.

Within three months before a bank was closed by the Bank Superintendent, its stock was sold largely above par, and within one month thereof the Superintendent's examination showed a large surplus. On the day of such closing all the directors had their usual balance on deposit, and held as much stock as ever, and they testified that the closing was unexpected, and that they supposed the bank was solvent, and the Superintendent testified he thought the bank was solvent when he closed it. *Held*, that though the bank in fact was insolvent, its officers and directors were not shown to have any knowledge thereof.

DICKEY, *J.:* Although the amount involved in this case is small, the case is an important one, as many other depositors of the Murray Hill Bank deposited money in the bank near the time of its final closing by the State Bank Superintendent, and if this plaintiff is entitled to recover the $310 deposited by him on August 10, 1896, so are all the others in like situation, making, in the aggregate, a large amount. It seems to be now well settled that if a bank receives deposits of money, drafts, or checks after knowledge of its insolvency by the officers or agents in charge thereof, the bank is, in a legal sense, guilty of fraud. While the effect of a deposit in a solvent bank is to vest the title of the thing deposited in the bank upon the implied contract that it shall repay the amount upon the checks of the depositor, yet, if the bank be chargeable with fraud in receiving the deposit, the depositor may, on discovering that fact, rescind the contract, and reclaim the property, unless it has in the meantime passed into the possession of a *bona fide* holder. (*Breweries Co.* vs. *Higgins*, 79 Hun, 250; *Cragie* vs. *Hadley*, 99 N. Y. 131; *Printing Co.* vs. *Loomis*, 45 Hun, 93; *People* vs. *St. Nicholas Bank*, 77 Hun, 159.)

Pen. Code (section 601) provides:

"An officer, agent, teller or clerk of any bank, banking association or Savings bank, and every individual banker * * * who receives any deposits, knowing that such bank or association or banker is insolvent, is guilty of a misdemeanor."

The plaintiff, in his complaint, not only alleges insolvency of the bank on August 10, 1896, but also alleges it was insolvent to the knowledge of the officers and directors thereof. Counsel for the plaintiff now contends that it was not essential for him to prove, or the court to find, this knowledge on the part of the directors; that they may be found guilty of fraud on the mere proof of insolvency, and their knowledge of the bank's insolvency must be inferred from the fact of the insolvency itself, as evidenced by the closing of the bank by the State superintendent. I have not been referred to any authority sustaining this proposition. On the contrary, the Court said, in *People* vs. *St. Nicholas Bank* (77 Hun, 159):

"From the circumstance that the Superintendent of Banks properly closed a certain bank on a certain day no inference can be drawn of knowledge on the part of the officers thereof of the bankrupt condition of the institution which would make it a fraud for them to receive deposits."

All the cases in the books unite in the determination that in cases of this character, where there is an attempt to rescind the contract on account of fraud, guilty knowledge must be shown on part of the officers.

In *Atkinson* vs. *Printing Co.* (114 N. Y. 168), the bank was, to the knowledge of its President and Cashier, insolvent; hopelessly so. In *Cragie* vs. *Hadley* (99 N. Y. 131), the bank was irretrievably insolvent. Its drafts had gone to protest the day before. Of this the President, to whom was intrusted its entire control and management, had full knowledge, and presumably its other officers and agents, and the bank had apparently given up the struggle to maintain its credit before the deposit was made. So, in all other cases where recovery was confirmed; because the fraud of a corporation must necessarily be the fraud of its agent. As the Court says, in *Cragie* vs. *Hadley* (99 N. Y. 131):

"A corporation may be, in a legal sense, guilty of a fraud. As a merely legal entity it can have no will, and cannot act at all, but in its relations to the public it is represented by its officers and agents, and their fraud in the course of the corporate dealings is in law the fraud of the corporation."

In the case of *Printing Co.* vs. *Loomis* (*supra*) the case of fraud on the part of the banker is well stated:

"If he is in an irretrievable condition of insolvency, so that he knows, or has reason to suppose, that he cannot meet the engagements he assumes when he takes the funds of his customers deposited to be placed to their credit, the transaction may involve an implied representation or concealment which characterizes it as fraudulent on the part of the banker."

The Court further says:

"Mere insolvency does not necessarily render the receipt of money by a banker fraudulent; but insolvency which is hopeless and irremediable, and renders him liable to shut his doors at any moment, makes it improper for him to continue the business of taking deposits, without notice of his situation to customers."

In this case the Murray Hill Bank had been fairly prosperous. Its stock had sold at four to one. The directors themselves had bought stock in recent

years. One of them paid three to one for some of it within a year of its closing. Its stock had sold at auction for 140 within three months of its failure. The examination of the Bank Superintendent in June, 1896, showed a surplus of $80,000 after charging off $85,000 of doubtful paper. As the capital stock was $100,000, the appearance was that there was $180,000 to meet any possible deficiency. The bank had never defaulted. None of its paper had gone to protest. When it was closed by the Bank Superintendent on August 11, all the directors had money on deposit—their average, usual balance. None of them had drawn money in anticipation of any financial trouble on the part of the bank. The directors deposited money up to the time of failure. One of them had $3,000 in hand, and ticket made out to deposit it, on the morning the bank closed. They all held as much stock as they ever had held, and they all testify that the closing of the bank was entirely unexpected to them; that they supposed it was entirely solvent; and, if permitted to do so, they could have, by nursing their assets, run along, and paid their entire indebtedness. The Bank Superintendent testifies that he closed the bank, not because of its then insolvency, but because they did not have the legal cash reserve on hand, and, in his opinion, it was not safe for them to continue any business, although he believed at that time the bank was solvent. He further says that he told the directors that they must raise $100,000 additional in cash to be permitted to continue business, and he reduced this to $50,000, but required that they raise it that day, and, as they were unable to comply with his demand, he closed the bank. It appears the closing of the doors of the bank was as sudden and unexpected to the directors as it was to the depositors. It is now apparent that the bank was then solvent, but there is no proof before me to justify the finding that its officers knew of its insolvency, and, in the absence of such proof, and in the face of the fact that there is so much proof to the contrary, and of their entire good faith, I cannot find them guilty of such knowledge, or of the fraud charged in the complaint. Fraud must be proven; it cannot be guessed.

This is a question as to whether assets of the bank shall be distributed ratably among all the creditors, or whether some shall have a preference over others. None should have a preference unless clearly entitled to it. I think this plaintiff should only share in equal proportions with the other depositors. Complaint dismissed on the merits.

Complaint dismissed.

FORGED CHECKS—EXAMINATION OF ACCOUNT.

Supreme Court of Tennessee, March 31, 1897.

POLLARD *vs.* WELLFORD.

A depositor has the right to assume that the bank, before paying his checks, will ascertain the genuineness of the indorsement, and no duty is imposed by law upon the depositor to examine his canceled checks returned with a view to detect forgery in the indorsement.

McALISTER, *J.* (omitting part of the opinion): The law is well settled in this State that a check drawn in favor of a particular payee or order is payable only to the actual payee, or upon his genuine indorsement; and if the bank mistake the identity of the payee, or pay upon a forged indorsement,

it is not a payment in pursuance of its authority, and it will be responsible. The proof in this case is clear, and that the indorsement of S. C. Toof upon the check was a forgery, and counsel for the bank do not gainsay its liability if there is nothing else in the way. Their insistence, however, is that complainant, Pollard, is not entitled to a decree against the bank, because his own negligence was the approximate cause of the loss to the bank. The negligence of Pollard is alleged to consist in the following facts: That complainant's transactions with Ward covered a period of about a year and a half; that during this period he had turned over to Ward, from time to time, thirty-five checks, all payable to the order of S. C. Toof; that thirty-two of those checks had been paid on indorsements exactly similar to the indorsements on the checks in suit, and all of which complainant alleges were forgeries; that during this time his account had been balanced three times, but Mr. Pollard testifies that, notwithstanding his account had been rendered him by bank, he never examined it until after this litigation arose. He further testifies that he knew Mr. Toof's signature, and that the signatures on all the checks were forgeries, except possibly two of them.

The argument is that complainant, Pollard, knew Mr. Toof's signature; and, if he had examined the thirty-two checks when they were returned to him with his stated accounts, he would have discovered the forgeries that were being committed, and would have saved the bank from the loss of the present checks.

It is therefore insisted that, under circumstances like these, the failure of Pollard to examine the statements of his accounts and the canceled checks attached thereto was such negligence as will defeat a recovery.

We think this position untenable. There had been no loss to Pollard or to the bank on account of the thirty-two checks, and hence there was no cause to challenge an inspection of Toof's indorsements of those checks.

We cannot see that any duty is imposed by law upon a depositor to examine his canceled checks when returned, with a view to detect forgery in the indorsements, as stated to the New York court of Appeals in *Welsh* vs. *Bank* (73 N. Y. 424). A depositor has the right to assume that the bank, before paying his checks, will ascertain the genuineness of the indorsement.

PRESIDENT OF NATIONAL BANK—AUTHORITY TO RELEASE DEBTS.

Court of Civil Appeals of Texas, March 28, 1897.

FARMERS' NATIONAL BANK *vs.* TEMPLETON.

The President of a National bank has power, by virtue of his office, to compromise or release a debt due the bank.

STEPHENS, *J.:* This was a suit by appellant against appellees on their negotiable promissory note for $700. The defense was a release of the debt made by the President of appellant bank, in consideration of a quit-claim deed from appellee Templeton to real estate in Wichita Falls. Want of authority to make such release was pleaded by the bank in avoidance of the release, in reply to which ratification by the bank was alleged.

The only evidence of authority in the President of the bank was such as he had *virtute officii*. This was not sufficient to warrant the submission of that issue to the jury, and the error assigned to the charge upon that ground requires a reversal of the judgment. If usage or the course of business had

conferred such authority, it should have been put in evidence. In the absence of such usage or authority otherwise derived from the board of directors, the powers of a bank President go little beyond those of any other individual director. (*Bank* vs. *Eustis* [Tex. Civ. App.] 28 S. W. 227; Morse, Banks, §§ 143, 144.)

The power to compromise or release a debt, which is not an ordinary transaction, involves the exercise of the discretion that properly belongs to the board of directors, and not (in the absence of an express or implied delegation of such power) to either the President or Cashier or any other merely executive officer of the bank. (Morse, Banks, §§ 143, 144, 159e.)

The case of alleged ratification rested upon notice to the Cashier of the compromise, with apparent acquiescence on his part, and the failure of the bank to tender a reconveyance. If the Cashier had no more power in the first instance than the President, it is not perceived how his knowledge and acquiescence, which, however, was denied by him, could bind the bank.

The failure to tender a reconveyance was explainable, in that the bank had purchased the property at trustee's sale, and taken a conveyance before the quit-claim deed was made. The evidence, however, probably raised the issue of ratification, but whether it was sufficient to sustain an affirmative finding on it we need not now decide. Additional evidence may be produced on another trial, both upon this issue and that of the President's power, on account of usage and the previous course of business, to release the debts. Without further remarks, therefore, we reverse the judgment, and remand the cause for a new trial.

On Rehearing (Jan. 16, 1897): Appellees did not favor us with a brief upon the original hearing in this cause, but in support of the motion for rehearing now cite for the first time the case of *Bank* vs. *Emery*, (78 Tex. 498), which we overlooked, and contend that, while the weight of authority elsewhere is opposed to this case in the construction of the power of a bank President, it should, nevertheless, be followed by this court, citing also criticisms of Mr. Thompson in his late work on Corporations (§ 4617, to which we add § 4620) upon the two lines of construction.

While the decision in the case cited was not placed entirely upon the ground that the President of the bank, as matter of law, had the authority to do what was done in that case, but also upon the ground that he had such authority in fact, the opinion of Justice Henry distinctly holds that he had such authority, both as a matter of law and in fact; and we conclude, therefore, that we ought to conform our decision to that holding, the power exercised in that instance by the President of the bank being substantially the same as that exercised in the case at bar.

We therefore grant the rehearing and affirm the judgment.

PROMISSORY NOTE—ATTORNEY'S FEES—KNOWLEDGE OF CASHIER.

Supreme Court of South Dakota, April 6, 1897.

NATIONAL BANK OF COMMERCE OF PIERRE *vs.* FEENEY.

Under the law of South Dakota, a provision in a promissory note for an attorney's fee is void, and does not affect the negotiability of the note.

Where a bank discounts paper for a firm of which the Cashier is a member, the bank being represented in the transaction by other officers, is not affected by the knowledge of the Cashier with respect to such paper.

This action was based upon a chattel mortgage executed by Clough, Ledwick & Co., to secure the payment of two promissory notes executed by the firm to the defendant, and which notes and chattel mortgage were transferred by defendant to the plaintiff before maturity for value.

CORSON, *P. J.:* The defendant contends the notes are non-negotiable for the following reasons: (1) Because they provided for the payment of reasonable attorney's fees in case these notes should be collected by action. * * * The first contention is disposed of by the decision in *Chandler* vs. *Kennedy* ([S. D.] 63 N. W. 439), in which this court held a provision for attorney's fees is void, and does not affect the negotiability of the note.

The defendant further contends that, if the notes were negotiable, the plaintiff took them subject to any defenses, for the reason that one Adolph Ewert, who was one of the firm of Clough, Ledwick & Co., was also Cashier of the plaintiff bank at the time the notes were transferred to the bank; that Ewert as a member of the firm was charged with knowledge of all defenses to the notes, and, as Cashier of the bank, his knowledge as a co-partner was chargeable to the bank. That he was a member of the firm of Clough, Ledwick & Co., and also Cashier of the bank, is not disputed; but it was shown by undisputed evidence that, in discounting the notes, Ewert acted for his firm, and did not act as the Cashier of the bank. The bank, in discounting the notes, acted entirely through its discount committee, of which Mr. Ewert was not a member.

The plaintiff therefore contends that, under such a state of facts, the knowledge of the Cashier is not imputed to the bank, and that the case does not come within the rule laid down in *Bank* vs. *Kellogg* (4 S. D. 312); *Stebbins* vs. *Lardner* (2 S. D. 127); *Farmers & Traders' Bank* vs. *Kimball Milling Co.* (1 S. D. 388).

The authorities recognize a marked distinction between cases where a Cashier not only acts for himself, but also as such Cashier, and cases where the person, though Cashier, acts for himself only, or for a firm of which he is a member, and the corporation is represented in the transaction by other officers. In the latter cases the knowledge of the Cashier is not imputed to the bank.

The law upon this subject is thus stated in the late case of *Bank* vs. *Lovitt* (114 Mo. 519):

"An officer of a banking corporation has a perfect right to transact his own business at the bank of which he is an officer; and in such a transaction his interest is adverse to the bank, and he represents himself, and not the bank. The law is well settled that, when an officer of a corporation is dealing with it in his individual interest, the corporation is not chargeable with his uncommunicated knowledge of facts derogatory to his title to the property which is the subject of the transaction." (*Bank* vs. *Babbidge*, 160 Mass. 563; *Corcoran* vs. *Cattle Co.* 151 Mass. 74; *Allen* vs. *Railroad Co.* 150 Mass. 200; *Wickersham* vs. *Zinc Co.* 18 Kan. 480; *Bank* vs. *Burgwyn*, 110 N. C. 267; *Barnes* vs. *Gas Light Co.* 27 N. J. Eq. 33; *Bank* vs. *Christopher*, 40 N. J. Law, 435; *Bank* vs. *Thompson*, 124 Mass. 506; *Mayor, etc.*, vs. *Tenth National Bank*, 111 N. Y. 446, 18 N. E. 618; *Bank* vs. *Payne*, 25 Conn. 444; *Custer* vs. *Bank*, 9 Pa. St. 27; *Bank* vs. *Savery*, 82 N. Y. 291; *Frenkel* vs. *Hudson*, 82 Ala. 158, 2 South. 758, and cases therein cited; *Innerarity* vs. *Bank*, 139 Mass. 332.)

It is further contended that the court erred in directing the jury to find the value of the property to be $800, as the sum due the plaintiff on its notes and mortgage was $510.50.

PROMISSORY NOTE PAYABLE TO MAKER—TRANSFER WITHOUT INDORSEMENT—LIABILITY OF PERSON INDORSING BEFORE DELIVERY—EXTENSION OF TIME.

Supreme Court of Michigan, April 27, 1897.

PENINSULAR SAVINGS BANK *vs.* HOSIE, *et al.*

A note "payable on demand after date," executed to cover the amount due upon prior unpaid notes by the same maker, is merely a demand note, and does not extend the time of payment for one day, so as to release an indorser on such other notes.

A person, other than the payee, who indorses a note at the time of its execution, and before delivery, is a joint maker.

MOORE, *J.:* The Detroit Motor Company, a corporation, made and delivered to the Third National Bank of Detroit, in renewal of notes then held by said bank, its promissory notes, of the following tenor:

"$10,000.00. Detroit, Mich., Nov. 17, 1892. Two months after date the Detroit Motor Co. promise to pay to themselves or order ten thousand and no-100 dollars, at the Third National Bank. Value received—with interest at 7 per cent. [Signed] The Detroit Motor Company. F. A. Blades, Sec'y and Treas."

Said note was indorsed on the back in the following order: "Detroit Motor Co., by F. A. Blades, Treas. Ellwood T. Hance. T. B. Rayl. J. Huff Jones. W. H. Ellis. W. C. Maybury. Chas. W. Casgrain. F. A. Blades."

"$7,500.00. Detroit, Mich., Oct. 22, 1892. Three months after date the Detroit Motor Co. promise to pay to themselves or order seventy-five hundred dollars at the Third National Bank. Value received—with interest at 7 per cent. per annum. [Signed] The Detroit Motor Company. F. A. Blades, Sec'y and Treas."

Said note was indorsed on the back in the following order: "F. A. Blades. W. C. Maybury. J. Huff Jones. Chas. W. Casgrain. Ellwood T. Hance."

The indorsements were procured before the delivery of the notes to the Third National Bank, and when the notes were received by said bank all the indorsers' names now upon them were then upon them. The notes were delivered to said bank on the day of their dates, respectively. The notes were in renewal of paper which the Third National Bank had paid value for to the Detroit Motor Company. The indorsers were directors of the Detroit Motor Company, and its chief stockholders, and put their names upon the paper for the accommodation of the company. Before either of the notes fell due, and on December 16, 1892, J. Huff Jones died, leaving a will, which was filed in the probate court for Wayne county, with a petition for its probate on December 28, 1892, and admitted to probate January 24, 1893. On the last-named day, Robert Hosie, who resides in Detroit, Mich., and Griffin D. G. Thurston, who resides in Sturgis, Mich., were appointed executors. On that day they filed their bonds, and letters testamentary were issued to them. Before the will was admitted to probate, and on January 20, 1893, the $10,000 note fell due, and was protested for non-payment, in the manner hereinafter

specified. The next day after the will was probated, and on January 25, 1893, the $7,500 note fell due, and was protested for non-payment. The executor admits that he received, in due course of mail, notice of the dishonor of Exhibit B, which notice he produced, but denies that he received notice of the dishonor of the $10,000 note, Exhibit A. On the maturity of the notes they were duly presented for payment, and dishonored, and notices thereof were sent in the manner hereafter described. Shortly after the death of Mr. Jones, and before the notes fell due, one of the indorsers, Mr. Hance, mentioned to the Cashier of the Third National Bank the fact of the death of Jones. On April 21, 1893, the Third National Bank took from the maker its note of the following tenor:

"$18,070.31. Detroit, Mich., April 21, 1893. On demand after date the Detroit Motor Co. promise to pay to themselves or order eighteen thousand seventy 31-100 dollars at the Third National Bank. Value received—with interest at 7 per cent. Detroit Motor Co. F. A. Blades, Treas."

Memorandum on face of note: "Two notes, $10,000 and interest, $7,500 and interest, as collateral; indorsed J. Huff Jones and others." Indorsed on back: "Detroit Motor Co., by F. A. Blades, Treas."

Afterwards the Third National Bank transferred the $10,000 note and the $7,500 note to the Peninsular Savings Bank, the claimant, in payment of indebtedness of the Third National Bank to the Peninsular Savings Bank. The note of April 21, 1893, was delivered with the other two notes. By some accident or oversight, when the $7,500 note was delivered to the bank, Mr. Blades, who was the secretary and treasurer of the motor company, failed to indorse the name of the motor company upon the note. Mr. Blades prepared the notes sued upon, and procured the signatures of the indorsers to them. They are made payable to the order of themselves, which Mr. Blades says meant the corporation itself, and in indorsing them he so considered and treated it, as well as in indorsing the note of $10,000. The Peninsular Savings Bank presented to the commissioners on claims in the Jones estate the two notes sued upon, and the commissioners allowed the claim on the notes, one at the sum of $11,896.80, and one at the sum of $8,958.72. Thereupon the executors took separate appeals from the judgment of the commissioners, and in the circuit court a verdict was directed for the estate on each note. The Peninsular Savings Bank appeals.

It is claimed that the giving of the note of April 21, 1893, "payable on demand after date, with interest," gave one day's time to the motor company upon the notes sued upon, and, because of the extension of time, released Mr. Jones. The counsel for the estate has made an able argument in support of his contention, and cited a number of authorities. We understand the rule to be: "The statute of limitations begins to run from the very day the right of action accrues. Thus, upon a note payable so many days from the date, it begins to run from the day of payment, and not from the day of date; but the day of maturity is excluded in the computation of time. If payable at sight, the statute runs from sight. If so many days after sight, or after certain events, then from the time named after sight, or after the events have happened. If the instrument be payable on demand, the statute begins to run immediately. 'On demand after date' is the same as 'on demand.'" (Daniel, Neg. Inst. § 1215.) In *O'Neil* vs. *Magner* (81 Cal. 631) it was held that a promissory note made payable on demand after date is an

ordinary demand note, payable at once, on which an action can be brought immediately after it is given. To the same effect are *Turner* vs. *Mining Co.* (74 Wis. 355); *Hitchings* vs. *Edmands* (132 Mass. 338); *Fenno* vs. *Gay* (146 Mass. 118). We cannot agree with counsel that the giving of this note was such an extension of time as to discharge Mr. Jones from liability.

The $7,500 note was made by the Detroit Motor Company payable to itself or order, and was delivered to the Third National Bank without indorsement by the motor company. It is claimed by the counsel for the estate that this note was a nullity. Doubtless it would be at the common law, but we have a statute reading as follows: "Such notes made payable to the order of the maker thereof or to the order of a fictitious person, shall, if negotiated by the maker, have the same effect, and be of the same validity as against the maker, and all persons having knowledge of the facts, as if payable to bearer." (How. Ann. St. § 1580.)

There can be no question, from the record, that all the parties to this instrument knew that it was made for the purpose of taking the place of a note then in the bank that was past due. It is claimed, however, that the "knowledge of the facts" mentioned in the statute must embrace knowledge of the fact that it was to be put in the bank without the indorsement of the payee.

We think such a construction is too narrow, and would defeat the purpose of the statute. A like statute has been construed in other States. (See *Plets* vs. *Johnson*, 3 Hill, 112.) And it has been held, in construing such a statute, that "the facts of which a person must have knowledge in order to give a note efficacy against him, as if payable to bearer, are simply that the note is payable to the order of the maker, or of a fictitious person." (*Bank* vs. *Alley*, 79 N. Y. 536. See, also, *Lowrie* vs. *Zunkel*, 49 Mo. App. 153.)

We think the note was not a nullity, but was a valid note, as to all the parties to it who had "knowledge of the facts."

The inquiry naturally arises, what was the relation of Mr. Jones to this note? Was he a joint maker, or was he an indorser? We have already called attention to the provisions of section 1580, How. Ann. St. Both of the notes were made to be discounted at the bank. The failure of the payee to indorse the $7,500 note was due to an inadvertence. The other note was indorsed by the payee at the time it was made, and it was the intention to indorse both notes. The names of the indorsers were put on the back of both notes before their delivery, and before they were discounted, for the purpose of enabling the Detroit Motor Company to discount them. We have already indicated what we think is the effect of the provisions of the statute upon the first note. It has been repeatedly held by this court that a third person indorsing a note at the time of its execution, and before delivery, is a maker, jointly with the drawer of the note. (*Wetherwax* vs. *Paine*, 2 Mich. 555; *Rothschild* vs. *Grix*, 31 Mich. 150; *Herbage* vs. *McEntee*, 40 Mich. 337; *Moynahan* vs. *Hanaford*, 42 Mich. 329; *Tredway* vs. *Antisdel*, 86 Mich. 82.)

We think J. Huff Jones was a joint maker of both notes. This view of the case makes it unnecessary to discuss the questions growing out of the protest of the notes, as protest was not necessary to make Mr. Jones liable. (Tredway *vs.* Antisdel, *supra.*)

Judgment in each case is reversed, and judgment is entered here in each case for the amount of the respective notes, with interest to this date.

DEPOSIT WHEN BANK INSOLVENT—FRAUD OF OFFICERS IN RECEIVING DEPOSIT—RECOVERY.

Court of Chancery Appeals of Tennessee, May 8, 1897.

HARRIS *vs.* FIRST NATIONAL BANK OF JOHNSON CITY, *et al.*

Where a paper is deposited with a bank upon the representation of its chief managing officer that the bank is solvent, when it is insolvent, and such fact is known to such officer, the depositor may reclaim his deposit, though he has drawn against it for part of the amount.

Where a bank remits to its correspondent a certificate of deposit issued by another bank, which is credited by the latter on account of an antecedent indebtedness, such correspondent is not deemed a holder for value.

The complainant had deposited with the First National Bank of Johnson City a certificate of deposit for $350 issued by the First National Bank of Jonesboro. Just before the deposit was made the President of the bank, who was its chief managing officer, represented to the complainant that the bank was solvent, though at the time such officer knew that the bank was in fact insolvent. At the time the deposit was made the complainant had a small balance of $24.10 to his credit, and he immediately drew a check for $57.90, which was paid, leaving a balance of $317.67. The bank closed its doors a few hours later, but in the meantime the certificate of deposit had been forwarded by mail to the First National Bank of Chattanooga, and on the following day was credited to the account of the Johnson City Bank on an indebtedness owing by it to the Chattanooga bank. The court below found that the certificate of deposit was deposited as cash, and that the title to the same passed to the First National Bank of Johnson City. But the court further held that a fraud had been practiced on the complainant, and that he was entitled to a rescission, and to the proceeds of the certificate of deposit, less the sum of $32.90, the difference between the amount paid complainant on his check of $57.90 and $24.10, the amount of his balance before the deposit.

NEIL, *J.* (omitting part of the opinion): Upon argument considerable surprise was expressed by counsel for the defendant that the court could hold that the title had passed to the First National Bank of Johnson City, and yet that it could not confer such a right upon the First National Bank of Chattanooga, as was held against the complainant, out of whom the title had passed.

The principle upon which the decision goes was clearly enunciated in the case of *Arendale* vs. *Morgan* (5 Sneed, 703). The rules upon the subject were thus stated in the syllabus of that case:

"If a person who acquires possession and apparent title to a slave or other chattel by fraudulent purchase sell or pledge said slave or other chattel to a third person, who, without notice of the fraud, and *bona fide* at the time of the sale or pledge, advances his money or goods to the fraudulent possessor and apparent owner, the original vendor so defrauded cannot recover the property from such innocent vendee or pledgee.

The doctrine of the common law as to sales in market overt has not been adopted in this State. So a sale of stolen goods, or any number of sales, no matter how made, can have no effect upon the title of the proper owner, however innocent the purchasers may have been of any participation in or

knowledge of the felony. There is a well-settled distinction between the cases of a possession of goods acquired by felony and fraud.

As to the latter, the consequences are different, so far as respects purchasers from the fraudulent vendee, as in the one case the title passes and in the other it does not. As between the immediate parties themselves, the vendor and the fraudulent vendee, the contract may, indeed, be avoided by reason of the fraud; and upon the demand to have the goods delivered back the vendor will be revested with the title, and may recover the goods from the pretended purchaser, or any one to whom he may have sold them, with knowledge of the fraud. But, if the fraudulent vendee has resold them to a *bona fide* purchaser, before the vendor has signified his dissent from the contract, or interposed to regain the possession, the title of such *bona fide* purchaser cannot be defeated.

And the same rule applies where goods so obtained have been pledged for advance. The pledgee who has made the advance without the knowledge of the fraud has a lien upon the goods for reimbursement as against the vendor so defrauded. But if the goods had been stolen, and then pledged, the pledgee would have no lien upon them as against the owner."

The same doctrine is enunciated in *Hawkins* vs. *Davis* (8 Baxt. 506) and in *Gage* vs. *Epperson* (2 Head, 669). In this latter case the Court said:

"If the defendant, in good faith, made a valid purchase of the goods from Davis, in ignorance of the fraudulent means by which the latter had gained possession of them from the complainant, then, upon the principle of the case of *Arendale* vs. *Morgan*, no action could be maintained against him by the plaintiffs. But, if he received the goods with notice of the fraud of Davis in obtaining them, or under circumstances sufficient to put him on inquiry, or failed to place himself upon the footing of a *bona fide* purchaser, for a valuable consideration paid for them, then, by the very act of receiving the goods under such circumstances, and appropriating them to his own use, he was, in law, guilty of a conversion. And this is so although his pretended purchase may have been before the plaintiff took any step, or made known their determination, to reclaim the goods. Being affected with notice of the fraud of Davis, he was chargeable with knowledge of all the legal consequences of such fraud."

As stated in *Anderson* vs. *Ammonett* (9 Lea, 1, 13): "The protection conceded to a *bona fide* purchaser for value is carefully guarded, for the obvious reason that it operates to the injury of the rightful owner, who may be equally innocent and meritorious. It is surrounded by restrictions, sometimes of a technical or arbitrary character, so as to prevent it from becoming a cloak to fraud. The rule in this State, except when changed by statute, or in deference to statutory policy, has always been that of the English court of chancery, that a prior equity would prevail over a junior equity, and the legal title with notice, or over the legal title of a volunteer with or without notice. And a purchaser, in satisfaction of a pre-existing debt, and, for a stronger reason, an assignee in trust to secure such a debt, have always been treated as volunteers. Accordingly, where a party entitled to redeem land was prevented from redeeming by the fraud of the purchaser, and the purchaser sold and conveyed the land to a third person in payment of a pre-existing debt, the equity of redemption was allowed to prevail over the title of the purchaser. (*Guinn* vs. *Locke*, 1 Head, 111.)

So, the equity of a vendee of land by parol to be paid, upon rescission, the purchase money, or the value of improvements, was held superior to the title of a purchaser of the land in satisfaction of a pre-existing debt. (*Rhea* vs. *Allison*, 3 Head, 177.)

And the rule that the conveyance of land in payment of a pre-existing debt does not entitle the grantee to protection as an innocent purchaser has been re-enunciated in the recent case of *Jarman* vs. *Farley*, 7 Lea, 141."

So, if the defendant the First National Bank of Chattanooga took the certificate of deposit upon a pre-existing debt, there can be no sort of doubt of the complainant's right to recover its proceeds from that bank; its vendor, the First National Bank of Johnson City, having procured the certificate by fraud. That it was a pre-existing debt is admitted in the answer of the First National Bank of Chattanooga, which says: "The facts in the record and the certificate of deposit, $350.57, mentioned in complainant's bill, so far as this respondent is concerned, was as follows: 'The First National Bank of Johnson City was indebted to respondent on account of overdrafts and advances, on November 12, 1894, in a considerable amount of money.'"

The answer then proceeds to state that the defendant received the draft on November 13 from the Johnson City bank, with the direction to enter the amount to its credit, and it did so. By advance was meant, not money advanced at the time, but money furnished prior to that time.

The argument was made at the hearing of the case that this bank was what was called a corresponding bank of the Johnson City bank, and that in such instances there is a mutual exchange of credits; and sometimes one bank is much indebted to the other, and sometimes quite the contrary; that there are fluctuating balances.

There is nothing of this matter in the proof except that it does appear that the Chattanooga bank was the corresponding bank of the Johnson City bank. Besides this, we cannot take judicial knowledge that the business was of the character stated in the argument.

The record simply shows that the Johnson City bank was indebted to the Chattanooga bank, and that the latter received the deposit as a credit upon that indebtedness.

DEPOSIT WHEN BANK INSOLVENT—FOLLOWING CHECK AND PROCEEDS.

Supreme Court of Tennessee, September 25, 1897.

WILLIAMS *vs.* COX.

A creditor who deposits a check in bank to his credit, known by its officers to be hopelessly insolvent, may reclaim the proceeds thereof, if they can be identified and separated.

On rehearing.

WILKES, *J.:* This case has been heretofore considered by this court, and an opinion rendered, which is reported in 97 Tenn. 555.

After the hearing and decision of the case upon the record as it then stood, and the filing of the opinion of the court, a written request was presented to the court, asking a rehearing, upon the ground that an agreement entered into had been lost from the record. This agreement was to the effect that the Johnson City Bank was hopelessly insolvent when the check for $167.50 on the Assistant Treasurer of the United States was handed to it by complainant on November 12, 1894, and that this fact was well known to the

officers of the bank. It is agreed that such is the case, and that the cause be reheard, with the addition of this fact to the original record.

We therefore rehear the case upon the record, with this fact in addition to what was before us on the original trial.

The check having been received by the bank when it was known to be hopelessly insolvent, the complainant, Williams, had the right to reclaim it, or its proceeds, if they could be identified and separated. (*Bruner* vs. *Bank*, 97 Tenn. 545, 546) and cases there cited.

It appears that when the New York bank received and collected this check, the Johnson City Bank had already closed its doors, which it did at noon on November 12, 1894, the same day it received the check, and the New York bank collected it November 14, 1894. (*Williams* vs. *Cox*, 97 Tenn. 557.)

It also appears that, when the Johnson City Bank closed its doors, the New York bank held of its funds, and was indebted to it, $5,644.67; that it afterwards remitted to the Receiver of the Johnson City Bank all of this amount, except $771.82, which it retained, to indemnify itself against certain rediscounts which it had indorsed for the Johnson City Bank. The check in controversy was a portion of the last remittance by the Johnson City Bank to the New York bank before it closed its doors, the total of which was $496.87. (See *Williams* vs. *Cox*, 97 Tenn. 557, 37 S. W. 282.)

It is now insisted that this court will presume that the proceeds of this check were a portion of the $771.62 retained by the New York bank, and not a portion of the $4,873.05 sent to the Receiver of the Johnson City Bank, and hence the fund cannot be traced into the hands of the Receiver, but must be presumed to be in the hands of the New York Bank; that the burden of proof is on complainant to trace the fund, and recover it from the party that had it when he filed his bill, and that, as against the creditors of the insolvent bank, the court will not presume the funds to be in the hands of the Receiver, and fix a prior claim upon them, but will presume the contrary, so as to distribute the funds in the hands of the Receiver pro rata among all the creditors.

There is nothing in the record to show the final disposition of the $771.62 retained by the New York bank to protect itself against its indorsement on the paper rediscounted for the Johnson City Bank. If the paper thus rediscounted was paid, then this fund should, like the $4,873.05, have been returned to the Receiver of the Johnson City Bank. Indeed, it admits of serious question whether the New York bank, after the insolvency of the Johnson City Bank, had a right to withhold this $771.62, or any other funds of the Johnson City Bank, for its indemnity, in the absence of any agreement previously made to that effect, and such agreement is not shown.

But, however that may be, it had no right to retain the proceeds of this identical check for that purpose, inasmuch as it did not receive and collect it until after the Johnson City Bank closed its doors; and we cannot presume that it did retain these proceeds, but, rather, that it retained other funds of the Johnson City Bank, which it had previously received, and held for general account of that bank.

As said in *Bruner* vs. *Bank* (97 Tenn. 545):

"All checks received by the New York bank after the Johnson City Bank closed its doors should have been kept separate, and accounted for to the Receiver, for the true owners, and not credited to the Johnson City Bank; and such credit, if given, could not prejudice complainant's right to rescind

his contract for the fraud of the Johnson City Bank, and to recover back the proceeds not credited when the Johnson City Bank failed."

In other words, in view of the fraud of the Johnson City Bank in receiving the check when it was insolvent, and its failure before the check was collected, the proceeds of the check, when collected, were the property of the customer, Williams, and mingling them with other funds of the New York Bank would not deprive him of the right to follow them, and it must be presumed the New York bank remitted the proceeds of that check to the Receiver in the remittance of $4,873.05, and did not retain it.

We are not now considering the right of complainant, Williams, to follow the proceeds of his check into the New York bank, and recover them from that bank. That question is not presented and the New York bank is not a party to this suit. Neither does any question arise as to the right of the New York bank to retain the proceeds of the check to make good any balance the Johnson City Bank may have owed it on account, as the Johnson City Bank did not, when it closed its doors, owe the New York bank anything; but on the contrary, the New York Bank had the funds of the Johnson City Bank on deposit and to the credit of that bank.

We are of opinion that, because of the new fact injected into the record under the agreement that the Johnson City Bank's officials knew of its insolvency when they received complainant's check, he had a right to reclaim it, or its proceeds, and that such proceeds must be held to have come into the Receiver's hands from the New York bank. Judgment will therefore be rendered in complainant's favor for the amount of said check, less the amount received by complainant on it, to wit, $133.83, and interest from November 14, 1894, and all the unpaid costs of this court and of the court below.

RECEIVER APPOINTED BY COMPTROLLER OF THE CURRENCY—CONTROL OF FEDERAL COURT.

United States Circuit Court, District of Washington.

SNOHOMISH COUNTY *vs.* PUGET SOUND NATIONAL BANK OF EVERETT, *et al.*

The assets of an insolvent National bank are not brought under the control or protection of the Federal courts by being taken into custody by a Receiver appointed by the Comptroller of the Currency, nor by the transfer of such assets from the Receiver to an agent of the stockholders.

This was a suit to enjoin an agent engaged in winding up the affairs of a National bank for which a Receiver had been appointed by the Comptroller of the Currency, and to procure the appointment of a Receiver to take charge of its remaining assets. The case was heard on motion to dismiss, and on demurrers to the bill.

HANFORD, *District Judge:* In entering upon the first inquiry as to jurisdiction, we are met by the questions whether the case is removable, and whether it has been removed from the Superior Court of Snohomish County, so as to invest this court with jurisdiction * * * The jurisdiction of Federal courts in civil causes is concurrent with the jurisdiction of State courts, except in cases in which the Federal jurisdiction is made exclusive by some provision in the Constitution or laws of the United States, and I have not been referred to any such provision applicable to this case. The jurisdiction of the Superior Court was not barred by the rule of law that an es-

tate or property in the custody of one court cannot be interfered with by process from another court. The assets of the bank were not brought under the control or protection of this court by being taken into custody by a Receiver appointed by the Comptroller of the Currency, nor by the transfer from the Receiver to the agent of the shareholders.

The decision by Judge MORROW in the case *Stateler* vs. *Bank* (77 Fed. 43, 58), cited by counsel for defendants, upon this point, has been in effect reversed by the Supreme Court of the United States, in an opinion rendered on February 15, 1897, granting a writ of *certiorari* in the same case. *In re* Chetwood (165 U. S. 443). In the opinion by Mr. Chief Justice FULLER the doctrine of the Supreme Court is given as follows :

"It is true, as stated *in re* Tyler (149 U. S. 164, 181, 13 Sup. Ct. 785, 789): * * * 'no rule is better settled than that, when a court has appointed a Receiver, his possession is the possession of the court, for the benefit of the parties to the suit and all concerned, and cannot be disturbed without the leave of the court; and that if any person, without leave, intentionally interferes with such possession, he necessarily commits a contempt of court, and is liable to punishment therefor.' But we do not regard these proceedings as falling within that rule * * * The Receiver acts under the control of the Comptroller of the Currency, and the moneys collected by him are paid over to the Comptroller, who disburses them to the creditors of the insolvent bank.

Under Rev. St. U. S. § 5234, when the Receiver deems it desirable to sell or compound bad or doubtful debts, or to sell the real and personal property of the bank, it devolves upon him to procure 'the order of a court of record of competent jurisdiction'; but the funds arising therefrom are disbursed by the Comptroller, as in the instance of other collections. The circuit court did not have the assets or property of this bank in its possession on July 19, 1890, nor was the leave of that court necessary in order that the Receiver might be made a party defendant to the action instituted by Chetwood on that day.

In the bill filed by Stateler in the circuit court, January 4, 1896, to enjoin Chetwood and the bank, the averment is made that on February 21, 1889, the Receiver filed an application in the circuit court entitled '*In re* Application of Receiver of the California National Bank for the Sale of Personal Property'; and the bill asserts as a conclusion of law that thereby 'the said Receiver submitted himself and the affairs of said banking association to the jurisdiction of this honorable court.'

The application thus referred to is not made part of the return to the rule, but from the averments of the bill in regard to it, and from the terms of the National Banking Law itself, we think it plain that no such result followed its presentation. Our attention has been called to no case in which it has been held that the filing of such petitions by National bank Receivers in the Federal courts operates to make the Receiver an officer of the court, or to place the assets of the bank within the control of the court, in the sense in which control is acquired where a Receiver is appointed by the court. * * * About four years after the suit was commenced, Stateler was elected agent to succeed the Receiver, and the usual assignment by the Comptroller and Receiver to him, as such, was executed. The legality of Stateler's election, though controverted, must be conceded for the purpose

of this application. But did the substitution of an agent for the Receiver oust the jurisdiction of the State court? Certainly not. He was no more an officer of the circuit court in the first instance than the Receiver was.

The agent proceeds in the settlement with like authority to that conferred upon the Receiver, although, at the conclusion of his duty, he is required to render to the Circuit or District Court of the United States, for the district where the business of the bank is carried on, 'a full account of all his proceedings, receipts, and expenditures as such agent, which court shall, upon due notice, settle and adjust such accounts, and discharge said agent and the sureties upon said bond'; and thus he and his bondsmen are protected by the final order of the Federal court upon the performance of the conditions imposed.

But there is nothing in the language of the statute from which it can be inferred that it was the intention that the jurisdiction of State courts of competent and concurrent jurisdiction, first obtained, should be interfered with by restraining orders issued by Federal courts on the application of such an agent.

The agent may, indeed, intervene in a case in the State court, and receive the fruits of the litigation to be administered, subject to the final approval of the Federal court; and, accordingly, Stateler, as agent, submitted himself to the jurisdiction of the State courts, and applied for an order turning over to him the funds so far realized. Nevertheless, the agent must abide the result, and can not control it, through the interposition of another independent and concurrent jurisdiction."

Assuming, as I must, for the purpose of the motion and the demurrers, that the facts stated in the bill of complaint are true, there appears to be just cause for rescuing the remaining assets of the bank from the agent of the shareholders, in order that something may be realized therefrom to satisfy the claim of the complainant.

For these reasons, the motion to dismiss will be denied, and the demurrers to the bill overruled.

PROMISSORY NOTE—SURETY—NOTICE OF DISHONOR.

Supreme Court of Georgia, January 21, 1897.

HUNNICUTT *vs.* PEROT.

A surety on a promissory note, although the note be payable at a bank, is not entitled to notice of the non-payment thereof, or of the protest of the same for non-payment. (Syllabus by the Court.)

PROMISSORY NOTE—INTEREST AFTER MATURITY.

Supreme Judicial Court of Maine, May 1, 1897.

AUGUSTA NATIONAL BANK *vs.* HEWINS.

A promissory note payable on a certain time after date, with interest at the rate of nine per cent. until paid, carries interest at that rate after the maturity of the note as well as before. (Official.)

Action by Augusta National Bank against George E. Hewins and others, executors, on a promissory note. The only question raised was whether or not the note bore interest at nine per cent. from date to the time of judgment, or only to its maturity. The presiding justice ruled that it bore interest until time of judgment, and defendant excepted. Exceptions overruled.

WALTON, *J.*: This is an action upon a promissory note of the following tenor:

$2,300. AUGUSTA, Maine, June 2, 1893.

Six months after date, for value received, I promise to pay to the order of E. A. Getchell the sum of twenty-three hundred dollars, with interest at rate of nine per centum per annum, principal and interest payable at office of E. W. Whitehouse, Augusta, Maine, until paid. E. A. GETCHELL.

It will be noticed that at the end of the note are the words "until paid." The only question is whether these words carry interest at the stipulated rate (nine per cent.) after the maturity of the note as well as before.

We think they do. They were written into the note for some purpose, and we think there can be no reasonable doubt what that purpose was. We think it must have been for the purpose of guarding against that very construction of the note for which the defendants now contend. It had already been decided that without these words such a note would draw the stipulated interest till maturity, and only the legal rate of interest (six per cent.) thereafter. (*Eaton vs. Boissonnault*, 67 Me. 540.) We think it was to guard against this result that the words "until paid" were inserted in the note now under consideration. True, the words "until paid" are separated from the interest clause by a clause naming the place of payment of the note; but we do not think this separation destroys the effect of the words, or leaves their meaning at all doubtful.

Such, in effect, was the ruling in the court below, and it is the opinion of the law court that the ruling was correct.

Exceptions overruled.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be sent promptly by mail. See advertisement in back part of this number.

Editor Bankers' Magazine: MEMPHIS, Tenn., Oct. 12, 1897.

SIR:—We received as cash from several depositors checks paid to them by their customers on M. bank of Ark. By first mail we sent them for collection to said bank, it being the only bank at that point. In due mail we received in payment draft of said bank on C. bank of this city. Payment was refused, the M. bank having failed the day before. We at once wrote M. bank asking return to us of the checks sent it. It replied, the checks had, on receipt, been charged to drawers and delivered. We charged the amounts to our depositors. Were we not right; and have these depositors recourse on the drawers who paid them the checks by mail? CASHIER.

Answer.—The question of liability in this case appears to turn upon the point whether the Memphis bank was justified in sending the check to the drawee bank. It has been held that a bank on which a check is drawn is not a suitable agent to which to transmit a check for collection. (*Merchants' National Bank* vs. *Goodman*, 109 Pa. St. 422.) In the case cited the Court said: "We think the principle may be stated as a true one that no firm, bank, corporation, or individual can be deemed a suitable agent, in contemplation of law, to enforce in behalf of another a claim against itself. * * * We interpret the cases to which we have referred as establishing the rule of

transmission to a suitable correspondent or agent to mean that such suitable agent must, from the nature of the case, be some other than the party who is to make the payment. By no other rule can the rights of indorsers be protected if it is the interest of the party who is to make the payment to hinder, postpone, or defeat payment. This imposes no hardship on the institution undertaking to transmit for collection, which can always protect itself by stipulation that special instructions by the depositor shall be given which will save the collecting bank from risk or peril." And in *Drovers' National Bank* vs. *Provision Company* (117 Ill. 100) it was said by the Supreme Court of Illinois that if the collecting bank has no proper agent at the place through which to make the collection, it should so inform the customer and act on his instructions; and if it takes the check without special stipulation the customer is authorized to assume that it has a suitable agent to whom to transmit, and that it will make the collection through such agent. Upon these authorities it would appear that the Memphis bank would be liable to its customer for the amount of the check, if it can be shown that the check could have been collected had it been sent through some independent agent. The depositors would not have recourse to the drawers, because as to the drawer the holder has no right to receive anything but money in payment of the check, and if he or his collecting agent receives a draft in payment, he does so at his own risk.

Editor Bankers' Magazine: MURPHYSBORO, Ill., Oct. 22, 1897.

SIR:—In your issue for June 1897, on page 896, we find the following:

Editor Bankers' Magazine: "PEORIA, Ill., May 20, 1897.

SIR:—Does a check payable to Jno. Smith; or bearer, have to be endorsed by Jno. Smith to become negotiable? TELLER.

Answer.—An instrument payable to Jno. Smith, or bearer, is in legal effect the same as if payable simply to bearer; and no endorsement is necessary to pass the legal title. (Wilbour *vs.* Turner, 5 Pick. 526.)"

The above may announce the law as it exists in Massachusetts. Does it announce the law as it exists in Illinois?

Under the statute of Illinois, a note payable to a person or bearer cannot be transferred or assigned by delivery only (4 Illinois, 344; 3 Scammon, 344).

A note payable to A, B or bearer cannot be transferred by mere delivery (17 Illinois, 450).

A note made payable to a person or bearer is assignable only by endorsement under our statute (24 Illinois 190).

A promissory note made payable to a person therein named or bearer cannot be transferred by mere delivery, without the endorsement of person named (5 Illinois App. 355).

A county bond or order for the payment of money payable to bearer is negotiable by delivery without being endorsed (83 Illinois, 215).

A county bond or order payable to a person therein named or bearer cannot be transferred so as to vest the legal title, except by endorsement of the payee (83 Illinois, 215).

County orders, notes, checks etc., stand on the same footing.

All instruments for the payment of money or articles of personal property to a particular person are only assignable or transferable, under the statute of Illinois, by the endorsement of the person named as the payee under his hand, and it makes no difference that such instruments contain, in addition to the name of the payee, the words "or order" "or bearer" (95 Illinois, 134).

A promissory note payable to A or bearer cannot be transferred, by mere delivery, without the endorsement of the person named. JOHN G. HARDY, *Cashier.*

Answer.—Our attention was called to this in a letter from a correspondent, which was published in the BANKERS' MAGAZINE for July, 1897, at page 58; and in our reply published there we answered that the law of Illinois differed from the law merchant in this respect.

BANK BOOKKEEPING AND BANK ACCOUNTING.

[The following is an introduction to a series of articles treating of the principles of bank bookkeping, and the mechanics of the internal management of banks.]

BANK BOOKKEEPING AND BANK ACCOUNTING COMPARED.

In the estimation of many, bookkeeping and accounting are synonymous. Indeed, the words are so employed by many writers and are frequently so used in conversation. A very slight inquiry, however, into the real meaning of the terms will show that there is a marked distinction between them. Briefly, bookkeeping is the art and accounting is the science. It is possible for the art to exist where there is lack of scientific foundation. It is possible for the art as practiced to be unscientific, and it is possible for the art, for lack of scientific basis, to be crude, inconvenient and overburdened with details. Practice and theory ought to go hand in hand. The practical methods employed should be scientifically adjusted that all may move together harmoniously and in a way to produce results with the least expense, both in point of labor and necessary supervision.

The most casual examination of the methods of banks, including both large and small institutions, will indicate that bank bookkeeping has been very much more thoroughly exploited than bank accounting. There is scarcely any division in the routine work of a bank for which numerous bookkeeping methods have not been suggested. For almost everything, from the work of the receiving teller to the routine of the Cashier, and from the reports of the messengers and runners to the quarterly statements to be filed with the department, bookkeeping expedients have been suggested almost without number. On the other hand, it is rare indeed that there is laid down at the outset a system of accounting for a bank, which is at once the foundation and reason for all the methods and expedients that are employed in the several divisions of the work.

If a system of bank bookkeeping could be arranged upon the eclectic plan, taking the best elements from each of a large number of institutions, properly adjusting and combining them, an almost ideal result would be achieved, and still that bookkeeping plan, with all the refinements of methods which it would display, might still be unsatisfactory in various details simply because there was no scientific reason at its foundation, and because therefore its several parts were not harmoniously adjusted with respect to the results to be produced.

Bankers and business men generally owe it to themselves to have the accounts in their charge scientifically arranged and adequately planned, otherwise there is waste in expenditure and absurdity in results. Bookkeeping without a scientific plan underlying it is not less preposterous in character than a house built at the whim and caprice of the several artisans employed upon it, and with an entire absence of an architect's design.

When we set out to erect a building we first carefully survey the site.

Next we test for foundations. Then we investigate the material that is available for use in the structure. Finally we decide the use to which it is to be put, whether for store purposes, or to be devoted to offices, or to be employed as a factory, or to be used as an assembly hall, or as a dwelling. Every one of these considerations as well as others affects some feature of our plans. The environment of the building and our own taste determine the design or the style of architecture to be employed. Its situation, whether in the country or within the so-called fire limits of a great city, determine structural features, whether it shall be of wood or brick, whether of ordinary brick construction or with an enclosed steel framing. Upon all these points in turn we are assisted by the experience and skill of the architect and engineer whom we consult, and so accustomed have we become to the services of these professional men that we never think of proceeding with a building, even of comparatively small size and modest appointments, without availing ourselves of their assistance.

Value of Expert Assistance.

In our accounting and in our business systems, however, we are wont to proceed differently. With unparalleled veneration for traditions and overpowering respect for existing methods, provided slight modifications are made out of deference to our own peculiar tastes and preferences, we build our bookkeeping systems by copying from our neighbors and by appropriating from the records of those who have preceded us whatever seems likely to answer our purpose. We seldom have a plan to work to for we have not yet reached the day where as a matter of course we call in a business engineer or an accounting architect to arrange for us, in the light of wide experience and careful investigation, just such a system as our business demands.

I say we have not yet reached the day when we habitually call in expert assistance in arranging our office methods. Notable exceptions prove the rule. Leading establishments in the financial, mercantile and manufacturing world of late are finding it advantageous to use the experienced accountant in the same general way as those who invest in buildings find it advantageous to use the architect and constructing engineer. And I venture the assertion that the day is not very far distant when it will be the rule rather than the exception in the organization of a bank to call into council an expert to plan the accounts, and in the projection of a manufacturing or mercantile enterprise to commission a business engineer to lay down plans and outline the specifications of the accounting system to be employed therein.

There is reason in all this. Expert and special talent is profitable in accounting as well as in building. While business routine is among the last wherein expert talent in planning and designing is employed, it is not the least in importance. The precedents in closely related divisions of business activity, to which reference may be made, are of potent and convincing influence. Comparison with the architect has already been instituted. Consider for the moment the contrast with the mechanical engineer who designs machines for special purposes. A bookkeeping system, properly regarded, is only a machine for producing certain results. The results may be described as historical records, but historical records when jumbled and mixed, however correct as to facts, are totally unlike the mechanical product of a well-

designed and well-built machine. The inference is, therefore, that the bookkeeping machine in order to turn out a product of proper character must be well designed.

System Should Be Properly Designed.

Again there are many who are competent to operate machines, while there are comparatively few who are competent to invent and design machines. There are thousands of bookkeepers, clerks and assistants entirely competent to keep books, using the term in its conventional sense, while there are comparatively few who are able to design and construct accounting systems that are exactly suited to the requirements of the concerns in which they are employed. And yet for the most part our bookkeeping systems are the clumsy work of operatives and not the skilful work of experienced designers.

To present another contrast as between accounting and bookkeeping, we may liken the structure or system to a wheel. Shall we commence our construction at the hub and work outward or shall we commence at the felloes and work inward? The hub or center of an accounting system is the balance-sheet, and the felloes forming the periphery are the bookkeeping details. The spokes are the branches of the bookkeeping connecting the details with summary or final balance-sheet.

Shall we work then from the balance-sheet outward, adjusting details as best suits the composition of a balance-sheet, or shall we work from the small details toward the balance-sheet making up that important exhibit from a mass of unassorted facts as best we can? Shall the balance-sheet be adjusted in view of the different details of the bookkeeping, or shall the balance-sheet command all the details of the bookkeeping, and so shape them as to make each one a proper and orderly contributor to balance-sheet results?

Continuing this simile it may be declared that the usual plan in banks as well as in various other branches of business is to work from the periphery toward the center, that is from the bookkeeping toward the balance-sheet, letting the latter be made up as it may be from the results which the bookkeeping presents no matter how illy arranged they may be. A better plan surely is to work from the center toward the circumference shaping the necessary details as we go. First, we should consider what the balance-sheet ought to show, and then working outward we should arrange all the details in a way to cause each to contribute its proper quota to the construction of the balance-sheet.

The usual plan above referred to is unscientific in character and results in much lost motion, or unnecessary expense, in much needless detail, and very frequently in duplication of work. The latter is the scientific plan and has the advantage of freeing the system from all superfluous features, saving all lost motion and duplication of work, and producing an easy running machine that turns out a thoroughly finished product. A bookkeeping system leaves the balance-sheet to be made up, something to be constructed out of the mass of facts which the ledger presents. An accounting system on the other hand converts the ledger into a perpetual balance-sheet, the finished product of a well-built machine, ready for use at any moment.

A. O. Kittredge, F. I. A.

EMERSON W. KEYES.

Emerson W. Keyes, formerly Deputy Superintendent of the New York State Banking Department, and an author of several valuable works on banking and educational subjects, died at his home in Brooklyn, N. Y., October 17.

Mr. Keyes was born in Jamestown in 1828. When sixteen years old he began his teaching career in a district school of Chautauqua County. Four years later he was graduated from the State Normal School in Albany. In the mean time he had taught in Ashville, Chautauqua County, in Western Pennsylvania, and in his term of study at the Normal School had charge of a school in Albany County. Later he taught at Castleton-on-the-Hudson. In 1850 he took charge of the department of English at the Portland Academy, in Homer. In 1852–53 he was principal of Public School No. 1, in Hudson. Coming to New York in 1856, he taught in the evening schools for two years. He was then appointed Deputy Superintendent of Public Instruction in the State of New York, which place he held for eight years. For one year he was acting Superintendent. In 1865 he was appointed Deputy Superintendent of the Banking Department of the State. His energetic work in developing the banking system of the State earned for him the promotion to chief examiner of Savings banks. In 1870 he retired from financial life, after writing the "History of Savings Banks in the United States," and "A Special Report on Savings Banks." Having been admitted to the bar in 1868, he became the Editor of "Keyes' Court of Appeals Record," in four volumes. Having again entered the educational field, "The Code of Public Instruction of the State of New York" and a treatise entitled "Principles of Civil Government, Exemplified in the State of New York" followed in quick succession.

In 1882 he became Chief Clerk of the Brooklyn Board of Education and continued to hold that office until his death. His expert knowledge of educational matters was of great benefit to the city, and he was also influential in shaping the provisions of the Greater New York charter relative to educational institutions.

The History of Savings Banks by Mr. Keyes, which was issued by the publishers of this MAGAZINE, is generally regarded as the best work extant on the subject.

He was one of the founders of the Lincoln Club, of Brooklyn, and was its first secretary, serving in this capacity until four or five years ago. His retirement was made the occasion of a notable public dinner tendered him by the club.

Mr. Keyes was a man of careful, methodical habits, with a special aptitude for statistical work. In the banking department and as an educator and author his services to the cause of sound banking and instruction were of a high order. He was a man of eminent abilities, of an exceedingly modest and kindly disposition, and he will be long remembered for his work and agreeable personal qualities.

CANADIAN BANKING AND COMMERCE.

QUARTERLY REVIEW OF THE BANK RETURNS.

In reviewing the third quarter of the returns of the chartered banks in Canada, it brings us face to face with the greatest season of prosperity that has been witnessed in this country for many years. It is satisfactory to notice that many other countries are enjoying the same blessing, but Canada being a comparatively young country, her growth is more readily noticeable.

The banking system of Canada is certainly seen at its greatest advantage when a development of trade comes suddenly and unexpectedly; the expansion and contraction of the bank note system works like well-geared machinery without noise or friction. On June 30, a little over 32¼ millions of bank notes were required to carry on the Canadian business; at the close of September, three months later, $38,616,211, or an increase of 6¼ millions, was needed. This increased amount went naturally as waters flow into the current of business; no friction, no waiting for results. The revolutions of the wheels of trade draw the notes out and when no longer use is found for them they return from whence they came. The admirable working of this feature of the Canadian system was well described by Mr. Wm. C. Cornwell, President of the City Bank, Buffalo, N. Y., in a speech at the Canadian Bankers' Association's banquet, when replying to the toast "The Banking and Commercial Interests of Canada," and referring to the question of a gold basis, he said:

> "You of Canada have no reason to consider that question. You took it up twenty and thirty years ago and by the perfecting of your banking system in the Acts of 1870, 1880 and 1890 you settled it for Canada and you settled it right * * * and the reason that Canada is enjoying entire freedom from these (agitations in regard to the money standard) is due to the fact that currency all over British North America can be increased to any extent that the legitimate demands of business may require."

Public deposits payable on demand increased in the quarter $4,669,660; payable on a fixed date, $6,007,696, a total increase in three months of nearly 13 millions. The amount due from banks and agencies in the United States increased $6,551,384, and amount due from the same source in Great Britain increased over 4¼ millions. Investments in Canadian municipal and other securities other than Dominion increased about 1½ millions, railway securities about a million, and call loans 3½ millions. Current loans are now less than three months ago but increased in September over 4¼ millions. The June and July figures are generally about the lowest. In August business again begins to move and by October has reached the highest point.

The returns for July and August were but little out of the ordinary, the principal cause for comment being, that although bank notes in circulation continued to increase in amount, current loans decreased and deposits increased also. A large increase is noticeable in the shipment of cattle, also cheese and butter. These items run the exports up many millions and there is also an additional activity in imports.

Railroad earnings have increased over the past three years very materially; so also have clearing-house transactions.

Failures since the beginning of the quarter under review are fewer and smaller in volume.

The crops in Ontario, Manitoba and the Northwest are excellent, and these favor-

STATISTICAL ABSTRACT OF CANADIAN CHARTERED BANKS—COMPARISON OF THE IMPORTANT ITEMS.

ASSETS.	*Sept. 30, 1897.*	*Aug. 31, 1897.*	*Sept. 30, 1896.*	*Increase and decrease for month.*	*Increase and decrease for year.*
Specie and Dominion notes	$26,336,877	$26,338,143	$23,254,490	Dec., $1,266	Inc., $3,082,387
Notes of and checks on other banks	9,093,757	7,909,618	6,973,646	Inc., 1,184,141	Inc., 2,120,111
Due from banks and agencies in foreign countries	27,939,204	27,913,790	16,045,600	Inc., 25,434	Inc., 11,893,604
Due from banks and agencies in United Kingdom	12,362,134	12,249,663	9,881,792	Inc., 112,471	Inc., 2,480,342
Canadian municipal securities and British provincial or foreign or colonial, other than Dominion	13,710,367	13,320,590	9,447,721	Inc., 389,777	Inc., 4,262,646
Railway securities	14,091,974	14,035,228	11,716,748	Inc., 56,746	Inc., 2,375,226
Loans on stocks and bonds on call	17,314,047	16,606,104	13,577,151	Inc., 707,943	Inc., 3,736,896
Current loans to the public	206,779,863	202,457,187	209,959,682	Inc., 4,322,676	Dec., 3,179,819
Overdue debts	3,622,730	3,636,796	3,756,236	Dec., 14,063	Dec., 133,506
Total assets	$352,274,880	$345,805,354	$324,264,175	Inc., $6,469,526	Inc., $28,010,705
CAPITAL.					
Capital stock paid up	$62,279,925	$61,959,547	$61,725,269	Inc., $320,378	Inc., $554,656
Reserve fund	27,223,999	27,070,799	26,373,799	Inc., 153,200	Inc., 850,200
LIABILITIES.					
Bank notes in circulation	$38,616,211	$34,454,386	$32,652,176	Inc., $4,161,825	Inc., $5,964,035
Balance due to Dominion Government	3,242,061	2,780,000	3,633,541	Inc., 462,061	Dec., 391,480
Balance due to Provincial governments	3,474,255	3,857,438	3,870,419	Dec., 383,183	Dec., 396,164
Deposits of the public payable on demand	76,136,117	74,949,375	65,827,150	Inc., 1,186,742	Inc., 10,308,967
Deposits of the public payable after notice	135,682,927	135,068,821	123,436,216	Inc., 614,106	Inc., 12,246,711
Deposits payable on demand or after notice between banks	3,304,066	3,858,637	2,858,277	Dec., 554,571	Inc., 445,789
Due to banks and agencies in foreign countries	279,397	360,692	257,759	Dec., 81,295	Inc., 21,638
Due to banks and agencies in the United Kingdom	2,031,777	2,116,546	1,939,597	Dec., 84,769	Inc., 92,180
Total liabilities	$263,446,774	$258,032,070	$234,819,603	Inc., $5,414,704	Inc., $28,636,171
MISCELLANEOUS.					
Directors' liabilities	$6,897,049	$6,678,798	$7,210,154	Inc., $218,251	Dec., $313,105
Greatest amount of bank notes in circulation at any time during month.	39,077,427	34,928,862	33,268,021	Inc., 4,148,565	Inc., 5,809,406

Deposit with Dominion Government for security of note circulation (amount required being five per cent. on average maximum circulation for year ending June 30, 1897), $1,879,454.

able conditions are supplemented by the introduction of cheese factories and creameries. This has also been the case in Quebec and the Maritime Provinces. British Columbia seems well satisfied with the salmon pack of the season (though not quite up to former years) that with mining operations keeps money stirring.

Heavy sales of lumber have lately been made here for the British and American markets; all these with the economical methods of living obtained owing to the former years of depression will make Canadians well pleased with their lot and the continuation of good times which from present indications are sure to follow.

The showing for the month of September by the banks beats all former records, and a few of the chief items from that month's returns in former years may prove interesting for purposes of comparison, and are as follows, viz.:

Year.	Notes in circulation.	Deposits.		Current loans.
		On demand.	After notice.	
1882	$33,953,387	$48,597,343	$49,381,851	$143,890,314
1890	35,522,319	54,739,373	77,695,310	153,145,549
1891	34,083,051	59,606,395	86,018,695	185,902,494
1892	34,927,615	65,753,885	98,831,098	188,167,135
1893	35,128,926	61,245,992	104,004,598	204,654,480
1894	33,355,156	66,584,661	111,084,063	199,773,925
1895	32,774,442	67,774,818	116,634,486	197,729,334
1896	32,652,176	65,827,150	123,436,216	209,959,682
1897	38,616,311	76,136,117	135,682,927	206,779,863

In the foregoing the strong position gained by the banks may be seen. In 1882 the total assets were $236,976,748. They were on September 30, $352,274,880. Deposits which in 1882 were under 100 millions are now nearly 212 millions. These gains can be surely looked upon as indications of solid prosperity.

New York State Banks.

Resources.	Sept. 5, 1896.	Sept. 15, 1897.
Loans and discounts, less due from directors	$167,845,445	$174,202,642
Liability of directors as makers	5,572,019	6,412,205
Overdrafts	201,549	198,826
Due from Trust Companies, State, National and private banks and brokers	19,977,257	34,356,894
Real estate	8,765,235	9,595,978
Bonds and mortgages	2,929,983	3,132,332
Stocks and bonds	15,909,374	17,925,336
Specie	13,312,193	17,507,651
United States legal-tender notes and circulating notes of National banks	18,500,557	19,011,543
Cash items	18,343,277	45,470,008
Loss and expense account	673,907	.....
Assets not included under any of the above heads	1,763,445	1,458,469
Add for cents	764	568
Total	$273,795,005	$329,272,440
Liabilities.		
Capital	$31,220,700	$30,570,700
Surplus fund	19,942,816	19,291,544
Undivided profits	8,308,318	7,983,495
Due depositors on demand	181,828,696	224,349,748
Due to Trust Companies, State, National and private banks and brokers	17,969,111	32,121,522
Due to individuals and corporations, other than banks and depositors	424,697	.....
Due Savings banks	11,968,674	11,585,692
Due the Treasurer of the State of New York	1,220,873	2,689,088
Liabilities not included under above heads	910,778	680,410
Add for cents	342	243
Total	$273,795,005	$329,272,440

THE CURRENCY REFORM MOVEMENT.

JOHN HARSEN RHOADES ON THE INDIANAPOLIS MONETARY COMMISSION.

At the recent convention of the Board of Trade and Transportation in New York, John Harsen Rhoades, President of the Greenwich Savings Bank, spoke on "The work of the Monetary Commission now in session at Washington; its origin, its purpose, and the benefits expected to be derived therefrom." The address in full was as follows:

"On January 12, 1897, there was held in Indianapolis a convention, called by trade associations located there and elsewhere throughout the Western country, for the purpose of considering the currency and banking systems of this country, and to take such action as would lead to a solution of these grave problems relating to currency and finance which had confronted the country for the past twenty-five years, and which had brought doubt and disaster in their train. It was felt that something must be done to concentrate public opinion upon some plan of solution by which the mercantile community throughout the country would unite, pressing their views upon Congress, and insist that something should be done for the welfare of the people. The result of the deliberations of the convention was to decide not to adjourn *sine die*, but to appoint an executive committee of able men who would have charge of the work of the convention; that a serious effort should be made by this committee to induce Congress to create a monetary commission for themselves to do the work suggested by this convention, and it was decided that in the event of Congress failing to appoint such a commission the executive committee themselves were instructed to create the commission for the benefit of the public at large. Long and persistent efforts were made by this committee, coming in direct contact with members of Congress, to bring about favorable action on the part of the Government. The President of the United States finally, at the close of the session, recommended to Congress the appointment of such a commission, and a bill was introduced to that effect, passed the House of Representatives, and failed in the Senate. It then became the duty of the executive committee to carry out the wishes of the convention and themselves create a commission. This has been done, and the members of that commission are as follows:

Hon. George F. Edmunds, of Vermont, chairman; Hon. Charles S. Fairchild, of New York; W. B. Dean, Esq., of Minneapolis; George F. Leighton, Esq., of Missouri; J. G. Fries, Esq., of North Carolina; C. Stuart Patterson, Esq., of Pennsylvania; Robert S. Taylor, Esq., of Indiana; Stuyvesant Fish, Esq., of New York; Prof. J. Laurence Laughlin, of Illinois; T. G. Bush, Esq., of Alabama; Louis A. Garnett, Esq., of California.

This commission has been requested to make a careful study of the currency and banking systems of this country, from the foundation of the republic, to discover, if possible, what evils there are now existing in the laws relating both to issues of currency and general banking; and lastly to seek the aid of prominent men familiar with finance, and obtain their views as to the proper solution of the whole question. Also to carefully study the laws relating to the collection of debt in all the various States of the Union, and, if possible, to endeavor to discover the real reasons why currency does not flow freely in certain sections of the country, and, finally, to unite upon some general plan which would command the attention and approval of all the various trade organizations throughout the country; also, if called upon, to give the results of their investigations to the officers of the United States Government, as well as to members of Congress.

The scope of the work laid out is extensive; it will need close attention on the part of the commission and extended thought, but the members of the commission have accepted the voluntary duty imposed upon them in a true spirit of patriotism, knowing that the work is most onerous and the responsibilities great. When their work is completed it is the intention of the executive committee of the Indianapolis convention to disseminate their conclusions as widely as possible, for the sake of educating the mass of our people, and to urge trade organizations and leading financial associations to study these conclusions, in the hope that they will approve and adopt them as their own.

It is believed by those who have taken a deep interest in this convention that in this way the best thought of the country will be concentrated on some feasible plan which will solve, not only the currency question, but lay the foundations for a banking system so broad and so wide and so elastic as will serve the country for a century to come, if not for longer.

It must not be forgotten that capital follows, and never precedes, credit; and this fact must be realized in all parts of the country if any scheme proposed can be successful. The dangers which have threatened the country in the past, and which caused serious disaster, doubt and dread in the year 1896, are still in active operation; a year of unexampled crops and the establishment of a tariff which must last at least four years have given confidence to the people, and allayed for the time being the fear which has existed in the past; but members of this convention realize that if a year of poor crops or of low prices should again come, the issues presented in the campaign of 1896 will again assume formidable proportions, and that the only way in which these issues can be laid at rest is by uniting the intelligent sense of the people at large upon some plan which will secure, not only ample currency for business needs, but hold the country firmly to a gold basis, and they realize that it is only by such concentration of thought on the part of the people as will come from this commission established by them that a true solution can be reached. They believe that the work of this commission is the most important in its character of any commission ever appointed in connection with the grave subject of finance and currency; they believe that their work not only commands the respect of the community, but will be one of the great factors, if not the greatest factor, which will bring about favorable action on the part of Congress.

The committee appointed by the Chamber of Commerce and the Board of Trade and Transportation to attend the convention at Indianapolis were deeply impressed, not only with the character of the men there assembled from all parts of the country, but realized fully the grave import of the issues which it was sought to remove. Not only is the work of this commission entitled to favorable attention, but it should receive the heartiest co-operation from the business community throughout the entire country.

The United States of America stands in the very front of all civilization; its growth has been marvellous, its development extraordinary, its future possibilities are magnificent; through its commerce it comes in close contact with all the nations of the world, and self-interest, patriotism and common sense alike demand that its credit should remain untarnished, and that its unit of value should rank in the world's estimation, and be equally sought for with the English pound sterling, which, owing to the fact of the enormous colonial trade of Great Britain, is the recognized unit of value throughout the entire world.

With these ends in view, the Monetary Commission has been appointed, its work will be watched with interest, and its conclusions must have great weight in the minds of those competent to judge. Let there be no coldness or lack of interest or of friendship shown toward the work of this party of experienced financiers. Let us all join hands and bid them 'God speed,' and aid them to the limit of our powers, so shall our country rise to the high position its development and progress demand, so shall it have the respect and confidence of every nation with whom it comes in contact."

The Country Check.—In an article recently published, F. R. Boocock, Secretary of the National Credit Men's Association, vigorously attacks the custom of retail merchants in making remittances to wholesalers in the form of their personal checks drawn on the local bank. He says:

"The magnitude of this abuse has never been so forcibly brought to my attention as it has recently, through the special study which I have given in behalf of the association to this subject. In reference to this custom I have received figures from eighty-five mercantile houses in every section of the country, from very small cities as well as large commercial centres, and from both concerns having small and large volumes of trade. The cost to each house for collecting out-of-town checks varies with the size of the business, so that the figures submitted range from $60 to $2,500 per annum.

The average cost, however, yearly to these eighty-five houses amounts to $558.

The amount that is annually paid by wholesa ers in this country for the collection of checks runs into many millions. In making remittance the debtor should realize that the bill is due at the place where the creditor's business is located, and that the transmission of funds in payment of the bill is an obligation that rests alone upon the purchaser's shoulders. It is decidedly unfair that because it happens to be convenient to him to remit by personal check he should require the creditor to pay for the subsequent collection of the funds in question.

The fact that in some instances the creditor's bank incurs this loss by reason of an agreement with its depositor to collect without charge all out-of-town checks, in return for the maintainance of a large da ly balance, in no way alters the injustice of this practice. Unfortunately, in these days of severe competition, banks are too willing to make concessions of this nature, ignorant, apparently, as to whether the arrangement is a profitable one or not to its depositors and stockholders. Frequently it is decidedly unprofitable. A few days ago a case in point was related to me that occurred with a Western bank. An arrangement similar to the one above mentioned was made by the bank with its depositor, who had a large and flourishing business. The daily balance to be maintained was $20,000, but at the end of the year the bank discovered that by reason of the collection of the country checks for the house in question they had suffered a loss of about $1,400 on the account."

The National Credit Men's Association will endeavor to reform this abuse of credit.

STATE BANKERS' ASSOCIATIONS.

REPORTS OF RECENT AND PROSPECTIVE MEETINGS.

BANKERS' ASSOCIATION OF THE STATE OF ILLINOIS.

The seventh annual convention of the Illinois Bankers' Association met at the Grand Opera House in Peoria, October 13.

The convention was called to order by President Frank Elliott, and prayer was offered by Dr. Samuel Henderson Moore, pastor of the Second Presbyterian Church of Peoria.

Oliver J. Bailey, of Peoria, then delivered the address of welcome to which President Elliott replied, thanking the bankers and citizens of Peoria for their hospitality and the freedom of the city. He then delivered the annual address, which was in part as follows:

"The advantages and usefulness of our association have neven been more apparent than during the last year. It has done active work and has made its influence felt. Its officers have been alert and watchful of all matters affecting the interests of its members.

Our association now claims a membership of 454, and had the largest representation of delegates of any State association at the Detroit convention of the American Bankers' Association. It is, therefore, one of the most important and prominent associations in the United States.

The great question as regards our monetary standard was decided, I trust, permanently when in last November our people expressed their preference for the gold standard. That the decision was wise is unquestionable. The fact has been already demonstrated in the conditions which now exist and will continue to be proven and emphasized as time goes on. We feel it in the renewed courage with which business enterprises are undertaken and pursued, in the solidification of values and the consciousness that we are building upon a foundation which is firm and unchanging.

If we keep the fact constantly in view and make it clearly apparent that, whatever may be done with our currency and coinage, we are determined as a nation to abide by one standard, and that the gold standard, we will not only give assurance to our own people, which will induce more extensive investments and increasing enterprise, but will establish among nations a credit and beget a confidence in us which will result in benefits which can hardly be estimated.

Our position is unique among nations, and they stand ready to share with us the benefits of their capital and accumulated wealth, if they can only be assured as to the unchangeability and permanence of our standard of value.

Having established, as we believe, in this country the great principle of a gold standard, it now becomes our duty to adjust and arrange the existing coin and currency with reference to preserving and maintaining this fundamental idea and with reference to the business interests of the people. The currency problem is extremely complex, requires the most careful handling, and should be approached with much caution.

There is an impression prevalent that arrangements should be made whereby the bank note issues may be expanded and made more elastic, so as to conform to the conditions of trade and commerce—to furnish currency in those sections where a scarcity exists and to supply the increased demands in times of excitement and panic.

It occurs to me that the most important point to be considered is how to handle the vast amount of silver, which, in the shape of coin, silver certificates and Treasury notes, forms such a large proportion of our circulation, so that it may be maintained at par with gold. It would be a great calamity if we should be unable to do so.

In the necessary rearrangement of the finances, the conclusion is growing and becoming conviction with our most thoughtful and conservative citizens that the United States notes, the "greenbacks," should be retired, and that bank note issues, if needed, should be substituted in their place.

I wish here to suggest a difference between a Government note and a bank note, which may not occur to some of you. The Government note depends altogether on credit, and credit which we have seen is assailable. It is a creature of credit without any visible means of payment. A bank note, when things are properly regulated, may have some special secur-

ity pledged for its redemption, but it will also be a claim on all the available assets of the bank, consisting of cash and current business paper represented by actual and material assets in the hands of its customers, out of which the money can be realized. The means of payment are actual and visible. Such paper may be good when even the credit of the Government is shaken. And each separate bank, under prudent management, might provide for the redemption of such of its notes as might be presented under conditions when the Government would find it difficult to provide for the large amount of its notes which might be presented at the Treasury for redemption.

Our present National bank currency is an excellent currency and fulfills the requirements in a high degree. It is safe because it is secured by Government bonds. It is redeemable on demand and is unstable or changeable in value only as United States notes may be unstable or changeable. If the legal-tender notes should be retired it would then be redeemable in standard coin of the United States. It passes unquestioned and with equal freedom in all parts of the land. No paper currency anywhere maintains a higher standard. * * *

Formerly the profits of banking depended on the capital and circulation of the bank rather than on the deposits. The banker of to-day looks almost entirely to his deposits as a source of profit. * * *

The needs, if any there be, of additions to our circulation, are certainly not very apparent, and seeming needs can doubtless, in many cases, be explained away.

It occurs to me that the conditions and circumstances of the present time are worthy of note and are particularly favorable to the establishment of a permanent policy, on the part of the United States Government, to place its financial affairs on a firm and enduring basis—a policy looking steadily in the direction of a metallic circulating medium, with a gold standard.

I would suggest that at present there is ample circulation in coin and paper for the needs of the country, which, under favorable circumstances, will be materially added to by the product of our mines. If there be any more needed, our National bank circulation can, with slight modifications of law in favor of the banks, be arranged to make up the deficiency—especially in view of the fact that credit and the use of clearing-houses and bank checks and drafts have been so elaborated that almost all settlements are effected by use of paper credit instead of money.

In effect, bank checks and drafts are as much a part of the circulating medium as bank notes and by their use make the whole aggregate deposit in the banks of the land available and actually efficient as a circulating medium.

The use of "branch drafts" by the Bank of the United States affords an example of the actual use of checks in place of bank notes.

Assume, for argument, that our National bank currency can be arranged as suggested: that the "Treasury notes," and gold and silver certificates are covered by coin and bullion in the Treasury, which we will have the wisdom to handle so as to take care of them—we have left for consideration $346,000,000 of United States notes, paper currency, which must be retired without disturbing values and business interests. It may hold in reserve $100,000,000 of the $140,000,000 net gold now in the Treasury for the redemption of the last $100,000,000 of these notes, which could then be redeemed without affecting the circulation; we will have only $246,000,000 of them to take care of.

A gradual retirement of this sum could doubtless be accomplished in the course of three or four years without affecting values, the National bank currency, if necessary, taking the place of part of them. But aside from that, under favorable trade conditions, which we may reasonably anticipate, the product of our own mines, now continually increasing, say $60,000,000 of gold per annum, would in a few years replace that sum.

And a fixed gold standard, with a policy pointing steadily on to a metallic circulating medium, would create such confidence among foreign capitalists that their investments would turn this way and there would be an influx of gold greater than the product of our mines, far more than any deficiency which might be created by the retirement of the greenbacks.

It looks much as if we were entering upon another period of industrial activity and progress such as was brought about and stimulated by the increased production of gold in 1849 and following years, and culminated in the great collapse of 1857.

Let us take advantage of the opportunity and possibilities offered, if it comes, but let us also put out our lines with prudence and direct our energies toward placing ourselves on a firm foundation so that we may not be overtaken with similar disaster in the end.

Under such arrangements of the currency we would have gone far toward divorcing the Government from the banking business, and any deficiency in the circulation having been supplied by the National banks, additional note issues might, for convenience, be arranged for on what is known as the "currency principle," which is that all notes shall be represented by an equivalent amount of coin or bullion held in reserve for their redemption, and when the note is out the coin is in and when the note is redeemed the coin is out. The currency is not inflated and the note is safe.

The times surely look propitious, let us take advantage of them."

The secretary, Edward Tilden, of Chicago, made his report. He stated that there are 454 members. The receipts during the year have been $1,995, and the expenditures $1,768.

The report of the Treasurer, A. B. Hoblit, of Bloomington, was to the same effect. Both reports were approved.

The following, which had been unanimously adopted by the executive council, was also submitted:

Resolved, That the Bankers' Association of the State of Illinois has learned with great satisfaction of the appointment by the Indianapolis monetary conference of an able non-partisan commission for the purpose of making a thorough investigation of the monetary affairs and needs of this country in all relations and aspects, and to make appropriate suggestions as to evils found to exist and the remedies therefor.

The council also reported that they endorsed the recommendations as to uniform laws relating to negotiable instruments reported to and adopted by the national association at Detroit, and they had agreed to submit without recommendation a paper by John L. Hamilton, Jr., of Hoopeston, on express money orders.

It was voted to ask the next legislature to enact the uniform laws. Mr. Tracy said they are the finest codification of commercial laws that has ever been drafted.

A committee on nominations was appointed, as follows: H. W. McCoy, Peoria; F. E. Brown, Chicago; J. P. McKinney, Aledo; Ezra Durham, Orange; J. W. Metcalf, Girard.

Oren E. Taft, of Chicago, read a paper on "The Mortgage Banks of Europe, and the Need of This System in the United States." He pointed out the advantages to be derived from them and explained the manner in which they are conducted. The German mortgage banks have $1,600,000,000 loaned out, and the mortgage bonds fluctuate less than Government securities, and are eagerly sought for. They have enabled the people to obtain homes and farms of their own. They were originally instituted to help the debt-ridden nobility, and afterwards in the interest of the people, when the feudal system was abolished. In France the business is done by one bank and its branches. This is the Crédit Foncier. It is not a Government institution. It has $34,000,000 of capital. Under the American system interest is higher than in Europe. The average rate increased from east to west. The rate for farm loans is higher than that for city loans. The average life of real estate mortgages is 4.81 years, and in Illinois a little over four years. But many are renewed, and counting renewals the probable life of a mortgage in Illinois is eight or nine years. Eighty-three per cent. of the payments to the Crédit Foncier have been made prior to maturity. In many cases in this country the borrower often does not know who is the real owner of the mortgage, and there have been dishonest practices on the part of agents, which led to the passage of laws to effect a remedy. There would be no such trouble with mortgage banks. Mr. Taft believed they would be as successful in the United States as in Europe, and that they would save the borrower millions of dollars.

The principal ends which it may reasonably be expected to accomplish in the United States through the introduction of mortgage banks, are as follows:

1. A considerable decrease in the interest charged upon the mortgage debt.
2. a much-needed provision for its gradual and easy payment.
3. A better distribution of lending capital, with a consequent equalization, to a large extent, of the varying interest charges in different portions of the country.
4. An improvement in the means offered for obtaining credit upon real estate mortgages and for the purpose of purchase, improvement and development.
5. The creation of a form of investment security much more desirable than the present form of mortgage loan—an investment which experience has known to be as popular and stable in European countries as the direct Government issues.

George T. Page, of Peoria, spoke on "The Proposed Bill for Uniform Laws Concerning Negotiable Instruments, and Its Desirability."

The convention then adjourned, and the ladies and gentlemen were tendered a drive about the city and suburbs.

In the evening the bankers and their ladies were given a reception at the National Hotel.

SECOND DAY'S SESSION.

At the second day's session after prayer by Rev. Alexander Monroe, A. J. Williford, of Nokomis, read a paper on "Reform in the Method of Collecting Checks."

Mr. Williford thought it would be a comparatively easy matter for the clearing-houses already established to extend their usefulness by clearing the country checks. This, in his opinion, was the best way out of the existing difficulties.

W. S. Rearick, of Ashland, read a paper on "Should Postal Savings Banks be Opposed by the Banking Fraternity, and Why?"

He said that to rekindle the spark of patriotism into a flame of devoted enthusiasm the Postal Savings Bank is prescribed, and we are assured that the moment the restless and dis-

satisfied and fault-finding and rebellious spirits in our land become creditors of the United States to the extent of a deposit account with a postal Savings bank, a great calm will be experienced, and all thoughts of discontent and censoriousness, and criticism of governmental policy will vanish.

Again, the fact that England and the continental countries of Europe, and in fact even some of the lands of the Orient have established and maintained for their subjects a system of governmental Savings banks, is presented as an insurmountable argument in favor of the inauguration of a like system by Congress.

It is further claimed that while perhaps some of the Eastern States of the Republic are fairly well supplied with Savings bank facilities, yet the great preponderance of our territory, geographically speaking, is not provided with the means for meeting the demands of the people for a secure place of deposit for their savings, and consequently the need of the postal Savings bank is evident.

The question is whether or not it is justifiable for the general Government, in order that a few and irresponsible banking and Savings institutions may be circumvented, to enter into a field of industry and endeavor, whose interests it is the duty of the Government to conserve rather than oppose. Only 1.06 per cent. of the banks of the country failed in 1896, while the per cent. of all insolvencies for the same period was 1.50. The total of all liabilities of insolvents for that year was $277,000,000, while those of the banks that failed were only $19,500,000.

In addition to the many worthy, solvent and correctly managed mercantile and Savings banks there has arisen a great popular institution called to occupy the identical field into which it is proposed to thrust the postal Savings bank, viz.: the building, Savings and loan associations, 6,000 of which have been organized in the United States with total assets of $650,000,000.

All the movements for Government interference in private affairs are based upon the same principle that controls in the demand for postal Savings banks. Chauncey Depew says the railroads operated by the Government in Europe do not offer a tithe of the advantage to the travelling public that are enjoyed in our own land. If the patronage of the administration and the spoils of political office are such a curse and such a burden to be borne by the industrial and commercial world to-day, what will be the service rendered to a long-suffering public when not only the post office, but the places in the executive and operative departments of all the railways and other Government-owned industries will be held as a reward for political service, and distributed at the behest of some party boss?

The fact that postal or Government Savings banks have met with reasonable success in the monarchical countries of Europe may be taken as a good and sufficient ground for belief that this exotic would thrive and flourish upon our shores, but we submit that it is not unreasonable that the spirit of free and independent America might favor a little different line of policy than that in vogue in the paternalistic governments and approved by the crowned heads of the old world. Mr. Rearick concluded, saying:

"I leave many of the points that might be urged in opposition to this proposed measure untouched, firmly relying upon the sound judgment and wise policy of this body of clear, financial minds to heartily endorse the view of the American Bankers' Association expressed in recent annual convention that the Government should retire from the banking business, as to the issue of circulating notes. I am quite sure that you will not favor the embarkation of the Government into the banking business in the line of receiving deposits."

John Farson, of Chicago, made a report of the delegates to the convention of the American Bankers' Association at Detroit. He reported that Illinois was well represented with thirty or forty delegates, and honored with the nomination of Frank W. Tracy as vice-president.

Reports were received from a number of districts in the State, all being of a highly favorable nature.

The following officers were nominated by the committee and they were elected.

President—W. T. Fenton, Cashier and second Vice-President National Bank of the Republic, Chicago.

First Vice-President—J. L. Hamilton, Jr., (Hamilton & Cunningham) Hoopeston.

Secretary—Edward Tilden, Chicago.

Treasurer—A. B. Hoblit, Bloomington.

Executive Council, expiring 1900—Frank Elliott, Jacksonville; Tunis Young, Cissna Park, H. A. Hammond, Wyoming; H. C. Hamilton, Girard; B. F. Harris, Champaign, and to fill unexpired term of J. L. Hamilton, Jr., H. H. Harris, Champaign.

Committee of Private Bankers—Lee Kincaid, Athens; W. L. Wiley, Brimfield; George J. Pattison, Virden; Addison Goodell, Loda; W. G. Stevenson, Alexis.

District Vice-Presidents—1. George D. Boulton, First National Bank, Chicago; 2. N. W. Harris, N. W. Harris & Co., Chicago; 3. John Farson, Farson, Leach & Co., Chicago; 4. Arthur Tower, American Exchange National Bank, Chicago; 5. George F. Orde, Northern Trust Co,

Bank, Chicago; 6. Isaac N. Perry, Continental National Bank, Chicago; 7. David R. Forgan, Union National Bank, Chicago; 8. Jacob C. Lutz, Bank of Gardner; 9. W. T. Robertson, Winnebago National Bank, Rockford; 10. J. G. Vivion, Second National Bank, Galesburg; 11. Elmer McDowell, First National Bank, Fairbury; 12. J. G. Williams, Citizens' Bank, Watseka; 13. W. J. Lateer, Paxton Bank, Paxton; 14. Walter Barker, Commercial National Bank, Peoria; 15. Albert Eads, Union National Bank, Macomb; 16. Ralph Metcalf, Sheffield & Co., Greenfield; 17. H. H. Marbold, Banker, Greenview; 18. A. J. Williford, Nokomis National Bank, Nokomis; 19. C. E. Wilson, Mattoon National Bank, Mattoon; 20. W. R. Ward, Exchange Bank, Benton; 21. G. H. Bradford, Stock Yards Bank, National Stock Yards, Illinois; 22. F. Bross, Alexander Co. National Bank, Cairo.

Delegates to American Bankers' Association—Homer W. McCoy, Merchants' National Bank, Peoria; James McKinney, Aledo Bank, Aledo; P. L. Mitchell, Mitchell & Lynde, Rock Island; Frank E. Brown, First National Bank, Chicago; E. G. Keith, Metropolitan National Bank, Chicago; E. S. Lacey, Bankers' National Bank, Chicago; A. E. Ayres, M. P. Ayres & Co., Jacksonville; George W. Evans, Banker, Mount Vernon; Frank W. Tracy, First National Bank, Springfield; E. H. Whitham, Rankin, Whitham & Co., Rankin.

Thanks were voted the bankers and ladies of Peoria for their royal entertainment.

The convention then adjourned *sine die*.

Among the entertainments were a reception tendered the visiting ladies at the Women's Club house, and a banquet at the National Hotel.

INDIANA BANKERS' ASSOCIATION.

At the late annual convention of the American Bankers' Association, at Detroit, a number of Indiana bankers who were present took the preliminary steps toward forming an association of the bankers of that State. A provisional organization was formed, with Allen M. Fletcher, of Indianapolis, as chairman. Pursuant to call the first meeting was held in the assembly room of the Commercial Club, Indianapolis, October 20.

President Fletcher called the convention to order, and in the absence of the Mayor welcomed the bankers to the city.

After the report of the executive committee, George B. Caldwell, a National bank examiner, of Detroit, read a paper on "Postal Savings Banks," which was in part as follows:

POSTAL SAVINGS BANKS.—ADDRESS OF GEORGE B. CALDWELL.

"The question I raise here to-day for the consideration of this body is not the one born of jealousy because of a new competitor, though this is a serious question to some of you, which you have undoubtedly considered and already passed upon. The real question, however, is, I understand it, whether or not it is wise for the Government itself to engage in the banking business, and whether or not such a system of Savings banks is needed.

As I understand it, to establish postal Savings banks is to add to our Post Office Department, already burdened with responsibilities, the complex and greater responsibility of caring for the millions of dollars of the small savings of the masses and of insuring the repayment of every dollar thus deposited, with interest. Necessarily this compels the Government to do one of two things—either conduct a safety deposit busine s at considerable expense, which expense those who pay taxes must pay, or to engage itself in banking as much as does a certain class of Savings banks, trust companies and building and loan associations.

There are three things, therefore, that the Government and the people themselves should carefully consider before branching out in this direction. First, the amount of deposits, such as they propose to receive, now held in banks. Second, the effect of the Government assuming such a liability. Third, the benefit, if any, that the depositors and business world will sustain. Unfortunately, it is difficult to find statistics that will show the actual amount of deposits in the various banking associations that are purely savings.

The investigations made by the Comptroller of the Currency, and published in his report for 1896, shows that in 311 stock Savings banks and 677 mutual Savings banks a total deposit of $1,907,000,000 was held, and that nearly eighty per cent. of the above amount was held by the Savings banks in the New England States alone. It is also reported that balances of $500 and under comprise 97½ per cent. of such deposits, and that interest at a fraction less than four per cent. has heretofore been paid depositors on these deposits.

In connection with the above figures it should be noted that no reports were received from fourteen States and two Territories, and that only partial and incomplete returns were received from any other States, while the number of depositors and the amounts deposited in building and loan associations are not included. It is stated, however, that in the State of Massachusetts fifty per cent. of the population, or every second person—man, woman or

child—is a depositor in this class of banks, and that in the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut and New York the number of Savings banks and building and loan depositors was 45,000,000, which was 42½ per cent. of the whole. It is undoubtedly true that a more thorough canvass would succeed in increasing the number and amount of savings deposits, although this showing is sufficient for us to understand the magnitude of this branch of banking. If postal Savings banks are to be substituted or established, we would soon have instead of the 983 banks, from which the above figures are obtained. 70,360 post offices receiving deposits of from $1 to $500.

In a period of a very short time we would all of us undoubtedly be surprised at the enormous sums of money that would find its way into a Government depository, even though the rate of interest paid to depositors was considerably less than that which they now receive. There are many people to-day that are willing to forego the loss of interest entirely for the sake of security.

The last report of the Postmaster-General states that there is $519,000 in outstanding money orders over one year old, while many of you know of funds withdrawn from banks and held at home or locked up in safety deposit companies because of fear. Two things are here apparent, viz.: the enormity of the savings deposits and the necessity for safer and stronger depositories. The second question, namely, the result of the Government guaranteeing so large a deposit does, it seems to me, determine more than anything else that postal Savings banks are not feasible.

It is admitted by all who have carefully investigated this question that the British system of investment could not be followed in this country, as our public debt, which is only about $800,000,000, is already absorbed and could not with any profit be very generally re-purchased as security for such deposits. On the other hand, the class of people whom, it is urged, demand this class of depositories are generally opposed to the increasing of the public debt for any purpose whatsoever. There are those who are not practical bankers, but who are imbued with the idea that the Government should engage in this business, that argue for the investment of these funds the same as the banks that hold them do now.

Fancy if you can the 70,360 postmasters and especially the 66,725 of the fourth-class 'in the sparsely settled districts' receiving deposits and perchance acting as advisers to your Uncle Samuel in the matter of investments in farm mortgages and local securities. Such a diversion, to be indulged in by postmasters chosen for their political influence, is not a question for any substantial set of men to consider.

It appears that the question of investment was the question paramount when this subject was investigated by ex-Postmaster-General Wanamaker. In his report for 1891, he says, 'I have recommended that all the postal savings funds received within a State be placed on deposit with the National banks of that State in such amounts and at such rates of interest as the Secretary of the Treasury shall prescribe, and I have suggested that such savings deposits shall by special enactment be preferred claims against the National banks holding them. I do not believe any better security offers itself in the present state of the country.

The impracticability and the unfairness to banks now holding savings deposits that are not in the national system undoubtedly settled this question in the halls of Congress, and prevented the postal Savings bank scheme from becoming a reality.

The making of preferred claims out of Savings bank deposits not only diminishes the security of all other deposits, but creates a preference which the courts of equity and the law of common sense should not and do not recognize. If the Government is determined to guarantee deposits let them guarantee all deposits in banks under Government supervision, which problem is attracting a good deal of attention at this time, but had not been solved to the wisdom of the best thinkers or deemed practical by those engaged in banking. It is pointed out by the theorist who favors postal Savings banks that there are much needed public expenditures, such as Government buildings and the extension of the postal service, in which these funds could be used.

These same men forget what bankers recognize, that with every depositor there is to come a day of settlement and that under the most favorable conditions only can Savings banks make investments in long time securities, and then they carry a certain per cent. of their deposits as a reserve fund to provide for unusual demands. The investment of such funds in public buildings and current expenses of the Government would, I believe, open to the American people a quick road to the bankruptcy of this Government.

The handling of trust funds, the safe investment and ultimate return of that money with interest, is too great a responsibility and too serious a question in all its bearings to be surrendered to the wily politician, or to ever be successfully engrafted as a part of a democratic form of Government.

This brings us to our third and last question, the benefit that depositors and the business world would sustain. It is written in the Wealth of Nations that 'It is not by augmenting the capital of the country, but by rendering a greater part of that capital more active and

productive than would otherwise be so, that the most judicious operations of banking can increase the industry of the country.'

The logic of John Stuart Mill has been verified. It is not a larger per capita of money that we most need, but a larger distribution and use. The establishing of a system of postal Savings banks, if it means anything, means the augmenting in the hands of the Government the enormous savings of the masses and the encumbering its present free use and wide distribution with the machinery of the Government before it can again be invested in any form whatever.

To change the present system means that millions of dollars already invested are to be liquidated in a short period of time, collected by the Post Office Department and redistributed through a new and different agency, much to the confusion of business and of loss to the industrial classes.

No one claims that the Government cannot compete with the banks of to-day in the diversified investments which are safe, which they are able to make, nor in the rate of interest now paid the depositer, nor in the better security for the deposit of our poor people than that already furnished by banks, except that it imposes a tax for any losses sustained by it upon the whole community.

That the savings depositor should be encouraged is admitted, but there is no better way or surer way than the interest rate such deposits now receive.

The real stimulant behind a Savings bank account is the fact that periodically the profits arising from the business are divided with him, and through the agency of competition there is little doubt but what the savings depositor gets by far the best end of the bargain.

People have learned that it is not necessary to become a shareholder in banks to participate in their earnings. Banks too liberally and too generally yield to their ambitions and pay more for their deposits in the way of interest than the dividends they are able to pay their shareholders. In the wide distribution of their earnings banks excel all other corporate institutions to-day.

A friend of the postal Savings bank idea upholds its necessity as a safe depository for the savings of the poor and ignorant, who are unable to themselves judge regarding the strength of our various monetary institutions. If there is any great number of our people that need a guardian I most respectfully recommend them to the trust companies, which are responsible and organized and equipped for serving such people. I can understand how the well wishers of the people desire to see at least one of the incentives to the habit of saving provided for the scattered population of the South and West, which it is now claimed are in some instances without adequate banking institutions, but I am certainly opposed, however great this necessity, to the Government engaging in the business of banking to even supply this want when it can be more profitably done to all concerned through other and better agencies.

As a business world we are just emerging from a depression of long duration and considerable loss, and if there is any one cause to which this can be attributed more than all else it is the fact that to-day and in the past the Government is in too many kinds of business.

Most of you are hoping that the coming session of Congress will enact some new legislation modifying our banking system and above all else divorcing the Government entirely from the banking business. Along this line should relief be sought to provide better banks and perhaps more of them for the use of the people, but why the question of a postal Savings bank should be brought forward as a part of the remedy for existing evils or supplying a better system than the one we now have, I cannot understand.

I agree fully with the advocates of postal Savings banks that the present system of banks is inadequate at least in two respects, viz., the greatest freedom and distribution of capital and the safety or security to depositors. The latter is a question which I fear cannot be reformed or remedied by government acts. The safety and security of deposits rests entirely upon the investments made by the banks, and to work out much of reform in this direction we must recognize more fully than we now do the importance and true relations of bank managers to the business of every community interested to them.

It is the banker that holds for safe keeping to-day the accumulated wealth of labor and capital. It is the banker that the man of a few dollars and the man of many dollars look to for guidance and correct judgment in the employment of this capital, and I therefore maintain that no banker, officer or director has a right to take that capital intrusted to his care and use it in speculative enterprises. Overcome this evil and you will have reformed the greatest weakness in our banking system. You will have drawn to you the respect and confidence of the public in a degree greater than is now measured by your deposits. You will have made the supervision of banks by the Government or State easy, losses will be reduced to a minimum and the necessity that some now imagine to exist in favor of postal Savings banks will be entirely removed."

Mortimer Levering, of Lafayette, took issue with Mr. Caldwell in a brief speech, expressing the belief that a system of postal Savings banks would greatly encourage the thrift of

the people, and declaring that the Government was able to guarantee the safety of the investment.

George H. Russel, of Detroit, Vice-President of the American Bankers' Association, told of the operations of the Michigan Savings banks in their dual relation as savings institutions and commercial banks. He emphasized the objection to postal banks raised by Mr. Caldwell in the difficulty of undertaking the safe investment of the vast aggregate of deposits that would flow into them.

L. G. Tong, of South Bend, thought the wants of the people could best be subserved by the present means.

At the afternoon session Mr. Russel, of Detroit, was called on and made a brief speech, in which he referred to the benefits to be derived from bankers' organizations.

The question of the relations of trust companies and banks, one of the stated topics of discussion in the programme, was brought up, and I. H. C. Royse, of Terre Haute, spoke upon the functions of the trust company as distinguished from that of the bank. John H. Holliday, of Indianapolis, also discussed the topic.

The report of the committee on nominations, recommending the following offices for the ensuing year, was accepted and adopted:

President—Allen M. Fletcher, Fletcher's Bank, Indianapolis.
Vice-President—C. T. Lindsey, Cashier Citizens' National Bank, South Bend.
Secretary—Mord Carter, Cashier First National Bank, Danville.
Treasurer—E. L. McKee, Vice-President Indiana National Bank, Indianapolis.
Vice-Presidents from Districts:
First District—Henry Reese.
Second District—A. C. Voris.
Third District—Hugh Rothert.
Fourth District—W. F. North.
Fifth District—I. H. C. Royse.
Sixth District—J. B. Dougan.
Seventh District—J. R. Henry.
Eighth District—C. H. Church.
Ninth District—W. P. Herron.
Tenth District—Mortimer Levering.
Eleventh District—Milton Shirk.
Twelfth District—John Mohr, Jr.
Thirteenth District—Oliver G. Soice.
At Large—John H. Holliday, J. J. Perrin.
Executive Committee for One Year—W. P. Wellborn, J. L. Bayard, E. W. Menaugh, Jerome Allen, Q. A. Mount.
For Two Years—S. A. Morrison, A. G. Lupton, D. A. Coulter, W. W. Smith, L. G. Tong.
For Three Years—V. T. Malott, M. B. Wilson, W. H. Niblack, W. G. Irwin, Richard Ruddell.

Reports were received from the various Congress districts of the State, showing a general condition of prosperity.

In the evening a banquet was given at the Denison House, John H. Holliday, acting as toastmaster.

Second Days' Session.

At the second days' session the following resolution was adopted:

"*Resolved*, That the Indiana Bankers' Association regards the appointment of a non-partisan monetary commission by the executive committee of the Indianapolis monetary convention as a wise step in the direction of a better currency and banking system. The commission is composed of broad-minded, able and patriotic men, and this association trusts that its investigation of the financial systems of the world, and the conditions and needs of our own country, will be productive of a plan of currency and banking in support of which the people can heartily unite."

The committee on uniform laws made a report, which was accepted. The association will have another session before the next Legislature meets, and by that time the committee will have some recommendations to make upon the subject of legislation, particularly on Savings banks and warehouse receipts.

A resolution was adopted extending the thanks of the association to those gentlemen from outside the State that had assisted in its organization.

Morris M. White, of Cincinnati, President of the Fourth National Bank, made a brief talk in response to a request from the chair.

F. H. Stark, of Rockville, read a paper on currency shipments by registered mail, in which he strongly favored this method as being much cheaper and fully as safe as shipments by express.

John P. Frenzel, of Indianapolis, spoke on the profits of circulation. At the present price of Government bonds, he did not regard circulation as profitable.

The question of warehouse receipts was raised, and President Fletcher said they were a security little used in Indiana, because the legal safeguards against fraud were not sufficient.

The question of grace on a demand draft was briefly discussed and the opinion was expressed that a demand draft should be treated as such, without grace.

A. M. Fletcher, of Indianapolis; D. B. Cooper, of Greenfield, and Frank L. Powell, of Madison, were chosen delegates at large to the next meeting of the American Bankers' Association, and the convention adjourned after a brief word from President Fletcher, who said:

"Indiana, as she stands to-day, is in a far different condition financially than ever before. I quote from my friend whose statement was made the other night that she is far richer to-day than ever before, owes less to the East than ever before. We are not as dependent upon the East. We should do business within ourselves. So far as it is possible for us to do, we should keep our reserves nearer home than New York. The day has been when New York was altogether too far from us. The day may come again. I distinctly remember, and I guess many of you do, that we had some money tied up in New York which so far as any practical benefit to us was concerned, it might as well have been in hades. Now if we had attempted here in the West to pursue the policy they did there of shutting up that is what it was—you know what our fate would have been; we would never have been allowed to open. We, here in Indianapolis, and the various bankers over the State, had either to put up our money or shut up. There was no alternative. We have learned a lesson, gentlemen, that we should profit by."

KANSAS BANKERS' ASSOCIATION.

The tenth annual convention of the Kansas Bankers' Association met at Wichita, Oct. 28.

After the usual preliminary exercises President A. C. Jobes read his annual report.

The report was devoted principally to a review of the business conditions in the State, which he reported to be very much improved.

Secretary F. M. Bonebrake then read his annual report, in which he said:

"The number of member of members in good standing at the present time is 123, which is about twice as great as last year, and I think greater than any year since the organization of the association. While this is a fair showing, the fact remains that there should be more members and greater interest taken.

On October 1, 1896, (the last report) there were in the State 116 National, 283 State and 109 private banks, total, 508. Thus our membership numbers less than 25 per cent. of the banking institutions of the State. This shows that the bankers fail to appreciate the benefits of organization. The farmers, merchants, railroads, mines and mine owners and laboring men have their associations, attend their meetings, and discuss matters connected with their welfare, while the bankers, with more than $24,000,000 capital and surplus, and deposits aggregating $40,000,000, a total of $64,000,000, seem to take little interest in their common welfare."

At the second day's session officers were elected as follows:

President—A Dobson, Proprietor Bank of Ottawa.

Vice-President—E. W. Snyder, President Manufacturers' National Bank, Leavenworth.

Secretary—F. M. Bonebrake, Assistant Cashier Central National Bank, Topeka.

The association decided to adopt the group system of organization, and divided the State into four groups. It is expected that this will result in a largely increased membership.

The by-laws were amended to make the fee of membership for banks of more than $50,000 capital, $10.

E. Wilder, of Topeka, Treasurer of the Atchison, Topeka and Santa Fé Railway Co., read a paper on "Retiring the Greenbacks." He favored the retirement of the notes by funding them into twenty year two per cent. gold bonds, the bonds to be available for deposit in Washington as security for notes to be issued by the Government to banks and individuals, deposits of bonds to be made in the sum of $25,000 or multiples thereof.

F. P. Neal, Vice-President of the Union National Bank, Kansas City, Mo., read a paper on the relation of banking and commerce. In the course of his address he said:

"The banks of this country, by the very genius of their operations exclusive of any circulation issue, are furnishing more circulating medium than could be wrung, in an age, from the fastness of the Rocky ranges, or brought from the mines of India. It is confidence based on reason, the confidence of the depositor in his bank and its operations, the confidence of the banker in the business man to whom he loans and his faith in the borrower's enterprise, the mutual confidence of one business man in another, that enables the country to carry forward its vast business, and without which no conceivable amount of gold or silver would avail. An ounce of wise business confidence is worth more than sixteen ounces of either gold or silver."

John R. Mulvane, President of the Bank of Topeka, paid a glowing tribute to the material resources of Kansas. He said the people of the State were greatly encouraged at the improved business outlook.

E. A. Kelly, Cashier of the Union Savings Bank, Leavenworth, spoke on the new Kansas banking law. Though he thought the law was defective in some respects, it was upon the whole the best law that had been enacted in many years. The law, he said, is being wisely administered by the present State Bank Commissioner.

P. I. Bonebrake, President of the Central National Bank, Topeka, declared international bimetallism an impossibility, and said that the gold standard was a final conclusion reached by evolution and experience.

If any change were made in the present banking laws, he would suggest that National banks be permitted with a minimum capital of $10,000, that circulation be increased to the par of bonds, and that no bills be issued of a less denomination than $5.

On the last day of the convention W. C. Robinson, President of the First National Bank, Winfield, spoke on "Country Bankers." In his address he said:

"The country banker must in many cases be indulgent and forbearing, even beyond what might be considered sound in theory. Many times in our experiences if we had insisted on the exact fulfillment of the contract our customers would have been forced to the wall, his property dissipated and our debt not collected. But with a little forbearance and yielding of the exact conditions of the contract a good man has been saved and every dollar of the debt collected, and we have cemented to us a valuable friend. In many cases, especially during the past ten years, the country banker has been compelled to put his heart in his business as well as his judgment. While I think this idea may be carried too far, and sometimes cause us to suffer loss, I do not think the iron-clad rule given by eminent authority can be always successfully applied:

'No expectation of forbearance or indulgence should be encouraged. Favor and benevolence are not the attributes of good banking. Strict justice and the rigid performance of contracts are its proper foundation.'

This is sound in theory, but we find that we cannot put our theories, however good, always in practice. Some of our own best and most favorable customers have been saved to our bank and our community by taking care of them and being lenient and forbearing during trying times."

J. M. Harper, of the Bank of Conway Springs, gave a good description of the workings of the Canadian banking system.

J. D. Joseph, Assistant Cashier of the Bank of Whitewater, spoke in opposition to the establishment of postal Savings banks.

Porter Sherman, President of the Wyandotte State Bank, of Kansas City, Kas., followed Mr. Joseph in a paper in which he a serted that trusts were the logical result of high protection to which he announced himself as opposed. In the discussion that ensued J. R. Mulvane, of Topeka, spoke of the fact that he had been the first prospector to open up active work in the Ohio oil fields. At that time, he said, oil sold at 35 cents per gallon. Since the trust had the oil fields there they had reduced the price to the present low figure. Such a reduction would have been possible only through the agency of a trust, Mr. Mulvane thought.

R. T. Snediker, Cashier of the I. A. Taylor Banking Co., Hartford, Kans., spoke on the proper relations between labor and capital.

J. N. McDonald, President Traders' Bank, Baxter Springs, spoke on the comparative profits of banking.

Resolutions were adopted in favor of repealing the law allowing days of grace, and pledging support to the Monetary Commission.

On the evening of October 30, a banquet was tendered the bankers at the Carey.

Next year's convention will be held at Leavenworth.

KENTUCKY BANKERS' ASSOCIATION.

The sixth annual convention of the Kentucky Bankers' Association met in the Senate chamber at Frankfort October 6, and was called to order by President John H. Leathers, of Louisville.

After prayer by Rev. J. McCluskey Blayney, Col. Thomas Rodman presented to President Leathers a gavel made by two pupils of the manual training department of the Frankfort High School, the wood used being from two historic old houses.

Governor Bradley welcomed the bankers on behalf of the State, and in the course of his remarks said in substance:

"I believe that the farmer is better qualified than any other citizen to understand the time to plant and sow and reap and garner; that the physician more than any other man is

skilled in the treatment of illness; the lawyer has superior advantages in the conduct of litigation; the blacksmith is better qualified to shoe the horse; the silversmith knows more of the mechanism of the watch; the minister in head and heart is the most competent to teach the plan of salvation. Why? Simply because each of them has made it his particular avocation, the study of a lifetime. So, too, I believe that the banker, who has studied the laws of supply and demand, the different rates of exchange, the different systems of currency, is better qualified to judge concerning such matters than the members of any other calling or profession.

The people do not hesitate to trust their savings with the banks, and yet there are those who revile and abuse them as if they were not decent members of society.

Our present system of banking is the safest and best the country has ever enjoyed. The percentage of dishonesty amongst bank officials, considering the vast amount of treasure under their control, is infinitesimal.

With an earnest wish that your deliberations may prove of benefit to the community and the State, that they will be directed to the common good and prosperity of the country, that each of you may feel that it was good for you to meet and have an interchange of views and the State may realize benefit from your meeting, as Chief Executive of Kentucky I welcome you to its capital."

Following Gov. Bradley Gen. D. W. Lindsey, President of the Branch Bank of Kentucky, welcomed the visitors on behalf of the local bankers.

President M. Cary Peter, of the Bank of Louisville, responded to the welcoming address briefly.

President Leathers then delivered the annual address, which was in part as follows:

"It is a pleasing fact that this meeting of our association is upon historic ground, the capital of our State, in which for more than a hundred years great political battles have been fought, and which, during that long period, has been the center of the social and political movements which have made Kentucky renowned and distinguished among all the Commonwealths of the Union. This city of Frankfort, for more than a century, has been famous for the patriotism of its people, for the culture and refinement of its society, and for those delightful phases of hospitality which have made the State illustrious both in America and in England for considerate kindness and polite attention for those who enter its borders; and I doubt not that the bankers of Kentucky will carry with them as delightful remembrance and as pleasurable recollections as those of the past who have come and departed from its midst.

At the time of the assembling of the association last year we stood face to face with a momentous situation. * * *

As we gather again in annual session, it must be a source of profound satisfaction to us all that though for a time we disregarded party affiliation and stood for the good of the people, results have vindicated our judgment and justified our action.

Magnificent crops have come to bless the land. The husbandman sees in the laws of nature a refutation of the silly notion that any one particular metal has anything to do with prices, that these are questions which are only affected by the laws of supply and demand. No wise man in looking over the situation in America to-day can doubt that the voters of this country reckoned wisely last November in adopting the gold standard as the true basis of American money, nor that this decision of the American people saved this country from the most terrible panic the imagination could picture and prevented almost absolute financial destruction. We are now upon the threshold of a great change, a change for the better, a change in which our people see increasing confidence, increasing stability and increasing prosperity as a reward for patience and persistence under very trying circumstances. I congratulate the bankers of Kentucky that in the great conflict we have passed through they have proved true to the demands of what they believed to be national honor and ignored party prejudice, and that in this conflict which oftentimes involved the severance of political relations which through so many years had been productive of so much pleasure and happiness, they have stood by what they believed to be right and followed their convictions rather than public clamor, and defended the honor of the American people against all who assailed it, even though the assault came from the hands of political associates and was claimed to be for the bettering of the suffering masses.

We have a goodly heritage; we have the best soil and finest climate in the world. Our products are famous throughout the land and our State ranks high both in commercial and financial importance with the other States of the Union.

The banking capital of Kentucky, National, State and private, aggregates in round numbers about forty-five millions of dollars, the largest of any State south of the Ohio river. * * * The deposits of all these institutions of our State aggregate approximately fifty millions of dollars. We have seventy-four National banks and one hundred and eighty-four State banks and seventeen private banks and eight trust companies. The State system, as will be

seen, predominates largely in numbers in Kentucky, but both systems work together in perfect harmony.

The question of the future paper currency of our country is one that must soon confront us for solution. A commission composed of some of the ablest men of this country, entirely non-partisan in its nature, is now in session considering this great problem, and it will be their endeavor to outline some plan as the result of their deliberations that will tend to solve the question. Whatever may be done, it is to be hoped that this country will never return to the old State bank note issue, but that we shall not only have a sound and safe currency, but a universal oneness in any system we adopt. I think, no matter what plan we adopt, the Government should supervise it, and while all the flexibility possible should be given to our currency, it should always be kept as good as it is now.

It may be a matter of interest to our Kentucky bankers to know that we rank fifth State in the Union as to number of State banks; the fourth State as to capital invested in State banks, and the sixth State as to deposits in State banks. The membership of our association at the present time aggregates 178 members, and it is my pleasure to state that during the past year we have gained thirty-one new members. This association can be made a power for good to the banking interests of the State, and I sincerely trust that, from the good work the association is doing and the benefits that accrue to its members, the time is near at hand when every banking institution in the State will be enrolled among its membership.

During the past year serious and important questions have arisen, which have demanded the most careful consideration of your officers and your executive council. The most important of these is the question of taxation upon banking capital. The members of the association are familiar with the decisions of the Court of Appeals growing out of our contract with the State under the provisions of the Hewitt law. The banks that had accepted the Hewitt law and surrendered valuable charter rights by so doing, believed that the question was forever settled under the first decision rendered by the Court of Appeals affirming that law. The reopening of the question and the recent decision by that court declaring the Hewitt law to be unconstitutional, naturally created great confusion and consternation among the banks of the Commonwealth. Your officer received many letters from the members of our association asking for instructions as to what course to pursue. A meeting of the executive council was at once called and an able committee appointed who gave the most careful consideration to the subject and advised the banks throughout the State what course in their judgment was best to pursue. Some of the banks of the association united together and have appealed to the Supreme Court of the United States, and until that court renders its decision, the whole question of bank taxation must remain in a state of great uncertainty and more or less confusion must prevail all the time and the banks of the commonwealth be continually harassed by this vexed question.

If the highest court in the land decides against the validity of the Hewitt law the situation will be a grave one for the banks. In the cities and larger towns of the State where the municipal tax rate is heavy, amounting in some places to two per cent., with all the time tendency for lower rates of money, the heavy expense of doing business, the competition that forces a large amount of business at an actual loss to the banks that handle it, the future of banking business in Kentucky is not rosy-hued. In many of the smaller places where there is no municipal tax the recent decision is really an advantage to the banks, but in the larger places where the local tax is heavy it is difficult to see how the banks can live under the tax burden this last decision of the Court of Appeals seeks to impose on them. And what is to be done is a matter that requires the most serious reflection and demands the most thoughtful and careful consideration of all concerned.

It affords me great pleasure to make official recognition of the services of our competent and obliging Secretary, Mr. Bridges. Our excellent Treasurer, Mr. Hays, has in like manner been ready and willing to discharge any duty pertaining to his office and at all times to take a part in any work assigned him. I am under grateful obligations to the executive council for their advice and valuable counsel given at all times when called for.

In retiring from the office which it has been my privilege to fill I can not refrain from expressing my gratitude, for the confidence you reposed in me, first by choosing me for this honorable position, and the appreciation you manifested in my efforts to discharge its duties by my re-election for another term; I have been well and ably supported. I feel very proud of our association and the splendid record it has made during its brief existence, and I trust that every member will stick by the association and its work during the present year and the years that are to come.

'In union there is strength' is as applicable to banks as to other corporations and in these times, when the tendency of legislation is all against monetary institutions, their welfare and the best interests can be promoted and maintained by mutual co-operation and well-organized effort."

The reports of Secretary Bridges, Treasurer Hays and the executive council were fol-

lowed by the announcement of the old committee and a new auditing committee, composed of B. M. Arnett, Nicholasville; James Barnett, Shelbyville, and R. S. Pollock, Greenup.

At the afternoon session the President announced the remaining committees. On motion of R. T. Smith, of Horse Cave, the association indorsed the action of the President in using association funds to capture and prosecute the bank forger Burton, captured at Lexington.

The president announced the inability of Judge A. P. Humphrey to prepare or read his paper on "Taxation of Banking Capital—Fairest Mode." Hon. A. E. Wilson took the place of Judge Humphrey on the programme and made a talk on the National Monetary Commission, in the formation of which at Indianapolis he was prominent.

In giving the history of the National Monetary Commission, Mr. Wilson said that, while the records did not show it, the non-political commission and the convention that created it were really and truly the outcome of the National Democratic Convention that met at Indianapolis. He said, Republican as he was, and with no desire to say anything of a political nature, he was going to say of that National Democratic Convention that a nobler, more patriotic, unselfish movement was never begun by any body of men in the recent history of the world. He paid tribute to the originators of the Indianapolis National Democratic Convention and characterized it as the inspiration that put Republicans and Democrats together in the effort which has resulted in the appointment of a non-partisan commission to take the money issue out of politics, and put it on a higher and broader plane.

He invited the Bankers' Association to send to the Commission its suggestions about what the changes in the present banking and currency system should be. In closing he made a plea for support and confidence for this patriotic, non-partisan commission and paid a tribute to Kentucky and Kentuckians for their stand in the fight for sound money.

The next paper was by John G. Winn, President of the Mount Sterling National Bank, on "Personal Credit."

Five-minute speeches were made by the following guests of the association: George Guckenberger, President of the Atlas National Bank, Cincinnati; B. W. Griffith, Vicksburg, Secretary of the Mississippi Bankers' Association; James R. Branch, Secretary of the American Bankers' Association. A telegram of regret and congratulation came from Wm. C. Cornwell, President of the City Bank of Buffalo, N. Y.

After the close of the day's session the vistors were given a ride around town by the Frankfort and Suburban Electric Street Railway Company, and were entertained by Manager George H. Watson at the George H. Stagg Company's distillery office.

In the evening a banquet was given at the Capital Hotel. Among the toasts were "The Commonwealth of Kentucky," Gov. Bradley; "Kentucky Bankers' Association," John H. Leathers; "American Bankers' Association," Logan C. Murray; "National Finances," Senator William Lindsay. Judge Lindsay doubted that the new Monetary Commission would do anything or have any more influence with Congress than the newly-elected President of the country. He said now that prosperity was returning they might look for no financial legislation till it was too late again to avert a panic.

J. D. Powers responded to "Green River Banking," but got off on the subject of water, and left it to be seen that he had missed things that sometimes appear at banquets. No wine was served at the banquet.

Second Day's Session.

At the final session, October 7, the Rev. Mr. Crane, of the Southern Presbyterian Church, prayed.

B. M. Arnett, of Nicholasville, offered a resolution thanking the George H. Stagg Company and others for their entertainment, and the resolution was adopted.

The President called upon the following gentlemen by congressional districts, beginning with the First: S. N. Leonard, Eddyville; William Elliott, Henderson; C. G. Smallhouse, Bowling Green; J. S. Barret and M. Cary Peter, Louisville; J. S. Grimes, Elizabethtown; Col. Thomas Rodman and C. E. Hoge, Frankfort; J. M. Johnson, Lawrenceburg; R. S. Pollock, Greenup; A. H. Hampton, Winchester; R. C. Ford, Pineville. They were asked for statements as to the condition of business, crops, etc., in their respective sections. Their short talks told without exception of reviving business of every kind; of good crops, with late ones slightly injured by the drought; of as much ready money as could be disposed of upon judicious loans.

B. W. Griffith, Secretary of the Mississippi Bankers' Association, gave an interesting talk, and promised that while still behind Kentucky, Mississippi was making strides toward the prosperity that industry, enterprise, economy and a stable currency are sure to bring.

The address on "Savings Banks" by Mr. George C. Thompson, of Paducah, was next on the programme. Mr. Thompson accused the President of selecting for him a subject that contained little of interest, there being no Savings banks in Kentucky or law providing for them. He, however, made a most interesting address, showing why the old Savings banks were possibly successes; why there was no law permitting such successes at present. In

describing the great Savings institutions of New York and the East he said he did so with the idea that the association at some time would favor the enactment of laws permitting similar institutions in Kentucky. He believed that Savings banks could be made to succeed, but not in the small towns, where they would be liable to be swept away by every panic.

John W. Rodman, of Frankfort, spoke on "Kentucky—its Resources." In paying tribute to some noted Kentuckians Mr. Rodman said of John G. Carlisle:

"There is one man among the sons of Kentucky who, by his eminent ability, his patriotism and his unflinching adherence to the fundamental principles of his party and the eternal principle upon which the stability of this Government rests, has proven himself to be greater than his party; who sacrificed and threw aside all political preferment and in the face of mobs and bitter denunciation of the excited people of his State and nation boldly and fearlessly advocated the principles and measures which are as necessary to the salvation of this Republic as the air we breathe or the sun that shines upon us. When the history of this last quarter of a century shall have been written by an impartial historian, the name of John G. Carlisle will be inscribed upon its pages as one of the greatest and ablest statesmen that this continent ever produced."

The report of the committee on nominations was adopted in full as follows:

President—J. D. Powers, President First National Bank, Owensboro.

Vice-Presidents—Samuel B. Hughes, President City National Bank, Paducah; Wm. Elliott, President Farmers' Bank of Kentucky, Henderson; C. G. Smallhouse, President Warren Deposit Bank, Bowling Green; B. W. Penick, Cashier Greensburg Deposit Bank, Greensburg; G. W. Lewman, President First National Bank, Louisville; R. Perry, Warsaw; Thos. Rodman, President Farmers' Bank of Kentucky, Frankfort; J. A. Middleton, President Farmers and Traders' Bank, Shelbyville; J. J. Lacy, Cashier Farmers' Bank, Owingsville; A. H. Hampton, Cashier Citizens' National Bank, Winchester; H. C. Baker, Vice-President Bank of Columbia.

Secretary—Isham Bridges, Manager Louisville Clearing-House.

Treasurer—E. W. Hays, Cashier of the Bank of Kentucky, Louisville.

Executive Committee—S. N. Leonard, President Farmers' Bank, Eddyville; H. C. Rodes, Vice-President Citizens' National Bank, Louisville; John H. Leathers, Cashier Louisville Banking Co., Louisville.

NEW YORK—GROUP MEETINGS.

GROUP VI.

Through the courtesy of Hon. John B. Dutcher, President of the National Bank of Pawling, Group VI of the New York State Bankers' Association met at the Dutcher House, in Pawling, October 20 and 21.

On the evening of the 20th Mr. Dutcher entertained his guests to the number of about one hundred at a dinner at the Dutcher House. Bradford Rhodes, chairman of the group, presided. He proposed the health of the host, and Mr. Dutcher responded very happily, welcoming his guests. Speeches were also made by Hon. A. B. Hepburn, Vice-President of the National City Bank, New York, and President of the New York State Bankers' Association; Gen. Daniel Butterfield, President National Bank of Cold Spring-on-Hudson; Hon. S. M. Griswold, President Union Bank, Brooklyn; Alvah Trowbridge, Vice-President of the Bank of North America, New York, and Chairman of the Executive Council of the American Bankers' Association: Burton C. Meighan, representing the Mamaroneck Bank; Charles Adsit, Cashier of the First National Bank of Hornellsvile, Chairman of Group 8; ex-Senator John I. Platt, of Poughkeepsie, and the Rev. Dr. Perry, a Baptist minister of Pawling. An incident of the after-dinner ceremonies was the presentation of a handsome silver-mounted rosewood gavel to Mr. Rhodes by members of Group VI as a mark of their esteem. The presentation speech was made by David Cromwell, President of the White Plains Bank.

After the speechmaking there was a reception and dance by the members and their guests at the Pawling Opera House, adjoining the hotel.

The business meeting was held on the morning of October 20. Resolutions were adopted pledging support to the Monetary Commission, now in session at Washington, and favoring a national bankruptcy law.

The subject of bank taxation was thoroughly discussed, Mr. Charles Adsit, Cashier of the First National Bank of Hornellsville, making a clear presentation of existing inequalities. The MAGAZINE hopes to publish Mr. Adsit's remarks in a later number.

The election for officers for the year 1897-'98 resulted as follows: Chairman of Group, David Cromwell, President of the White Plains Bank; secretary and treasurer, T. Ellwood Carpenter, President of the Mount Kisco National Bank; and the following executive committee: Charles F. Van Inwegen, President of the First National Bank of Port Jervis; Peter

J. Eiting, Vice-President of the Citizens' National Bank of Yonkers; Charles Bray, Vice-President of the First National Bank of Rondout, Kingston; John T. Smith, President of the First National Bank of Fishkill-on-Hudson; and Frank Wells, Cashier of the First National Bank of Brewster.

The members of the group and their guests, including many ladies, were highly pleased with the social features of the meeting and the handsome manner in which Mr. Dutcher entertained all who were present.

GROUP VII.

The annual meeting of Group VII was held at the Montauk Club, Brooklyn on the evening of October 27. Chairman Walter E. Frew, President of the Queens County Bank, Long Island City, presided. Addresses were made by President Frew, Hon. A. B. Hepburn and Alvah Trowbridge, of New York; and by Stephen M. Griswold, President of the Union Bank, Brooklyn; John G. Jenkins, President of the First National Bank, Brooklyn, and H. Bernard Coombe, Cashier People's Bank, Brooklyn.

The election of officers then took place as follows: John A. Nexsen, Cashier of the Fulton Bank, chairman; Frank Jenkins of the First National Bank, secretary and treasurer; executive committee: H. J. Oldring, President of the Mechanics' and Traders' Bank, Brooklyn; H. B. Coombe, Cashier of the People's Bank; J. Loughran, President of the Manufacturers' National Bank; J. M. Brush, President of the Bank of Huntington; S. M. Griswold, President of the Union Bank, Brooklyn.

GROUP VIII.

Group VIII of the New York State Bankers' Association (New York and Richmond Counties), held a meeting in the Downtown Club rooms on the afternoon of October 23, for the purpose of electing officers, and to discuss the financial situation. Speeches were made by Frederick B. Schenck, the retiring president and by Joseph C. Hendrix, A. B. Hepburn and others.

The officers chosen are as fol ows: Chairman, Thomas L. James, President of the Lincoln National Bank; secretary and treasurer, Charles H. Stout, Cashier of the National Bank of the Republic. Executive Committee—Stephen Baker, chairman, President of the Manhattan Company; Alexander Gilbert, President of the Market and Fulton National Bank; Charles Olney, Cashier of the Bank of New York, N. B. A.; and F. L. Hine, the Cashier of the First National Bank.

PENNSYLVANIA BANKERS' ASSOCIATION.

The third annual convention of the Pennsylvania Bankers' Association was held at the Park Hotel, Williamsport, October 6 and 7.

President T. F. Day called the convention to order and it was opened with prayer by Rev. Edward Henry Eckel, Rector of Christ Episcopal Church.

H. C. Parsons, chairman of the local committee of arrangements, was then introduced and extended a welcome to the visitors. President Day responded and then read his annual address.

He spoke of the good work which has been and can be accomplished by the association and said:

"In times when money is abundant there is much more occasion for watchfulness and care than in time of stringency, as the anxiety to get the idle money into use often causes the making of loans that would not be taken under other conditions.

I hope some arrangements will be made in the near future in regard to a credit bureau through which we will be able to obtain information in regard to large borrowers, and yet the matter will be handled in such a way as to be only a protection and no unnecessary information in regard to people's affairs should be given abroad."

Secretary A. D. Clark reported the present membership of the association to be 404, an increase of fifty-one during the year. Treasurer Shumaker announced a balance on hand of $2,157.08. The receipts from dues during the year were $3,455.

Reports were then read from the eight groups, showing a generally satisfactory condition. Numerous meetings have been held, and considerable interest has been manifested.

At the afternoon session James H. Willock, President of the Second National Bank, of Pittsburg, suggested the advisability of the association adopting resolutions setting forth their views on the currency question. He said the country was on its way to great prosperity and this was apt to cause the people to lose sight of the dangers which threatened a year ago and which may threaten again. "We should not let up in our fight at any time," he said. "The danger is still lurking around."

He gave a brief sketch of what he thought the resolutions should recommend. He

thought the management of the United States Treasury should be divided into two departments—one department to deal with issue and redemption, the other with revenue and disbursement. He would also recommend the gradual retirement of the legal-tender notes.

R. E. James, President of the Easton Trust Co., spoke also on the importance of action on the currency question.

The president was authorized to select a committee to formulate resolutions on the subject.

A motion to appoint a committee on legislation precipitated a lengthy discussion and was finally voted down.

After the appointment of committees on resolutions and nominations, a recess was taken until Thursday, October 7.

At the second day's session the first feature of the programme was an address by J. T. Brooks, President of the Farmers' National Bank, Salem, Ohio, and Vice-President of the Pennsylvania Company. He said, in part:

"The action of the New York Clearing-House Association in those days [the panic of 1893] has seemed to me to be symbolic of as high patriotism and unselfishness as ever was exhibited by a soldier on the field of battle. Those associated banks massed their assets together; they allowed their members to draw upon each other on approved securities and settle all their balances in clearing-house certificates, and retain all their money to satisfy depositors and their western correspondents whose claims were coming in upon them daily and hourly. I think the action of the New York Clearing-House Association in those days of June, 1893, deserves a record in the highest annals of beneficence. * * *

There is no relationship existing among men more sacred than that which subsists between the officials of the banks and the public. Why is it so? First, the bank is exactly what its President and its Cashier are. In ninety-nine cases out of a hundred, perhaps unfortunately, but nevertheless it is true, a bank depends upon what the President and Cashier are. How important it is, therefore, that they should be men of a high sense of honor, men entirely free from the gambling instinct, whether it takes the form of cards or dice, or grain or metals. * * *

Where this splendid superb trust and confidence is laid by the public in the President and Cashier of a bank is there not a high and sacred duty imposed upon them to exert themselves to their utmost, as there is to the patriotic soldier, to do everything in his power to merit the continuance of that confidence in order that the stockholders may receive their money and the depositors may get their money when the bank is wound up?

I would be glad, therefore, in continuation of this one thought to suggest to you that in our hearts at least we reverse the statement that the object of creating a bank is to make money for the stockholders, and say that the highest object of a bank is to be able to pay its debts in full when they are demanded. If that should become the principle of all the banks of the United States honor enough would follow that Cashier and President, profit enough would come to the stockholders of that bank, just as inevitably as the shadow follows the substance. And I do think that careful regard for the duties of our position, its importance, the responsibilities that are upon us, should ever be before our eyes in every transaction carried on by a bank. * * *

If the banks and bankers of the United States were resolved, in a high purpose, for the more perfect fulfillment of their duty as bankers, conscious of the inexorable strength which they exercise over the business of the country, they would keep forever a bridle upon the gambling business of the country. Then very few banks would fail; very few business men would fail. * * *

The first, and the overshadowing one of all questions to every banker, is that the country should have a good, sound and stable currency. * * *

It is more important than any and all other topics that can be considered in a bankers' convention. * * * We need a single standard of money of the best and most enduring metal that can be found, and there is nothing that answers those conditions like gold. * * *

And there I am reminded to stop a moment in this interesting train of thought to illustrate how effectively the banker could restrain extravagance if his mind was intent upon his high duty—if he had a proper theory of his profession. He would see that it is not merely to make money here, but that it is to repress the speculative spirit in the land. If bankers could only do that I believe panics in this country would be reduced one-third—simply by banks exercising their sound judgment as to whether an old-time customer who has dealt with them for years should be allowed a further line of discounts when they come to the conclusion that he has gone far enough. * * *

We all know as a part of our every-day life what it is that wrecks banks. We have either stolen the money or allowed somebody else to steal it, or we have loaned money on insufficient collateral, or, what is the same thing and more common, we have loaned too much to one man or in one place."

Eugene H. Pullen, Vice-President of the National Bank of the Republic, New York, was the next speaker, his theme being "Our Obligations." He made a very practical talk on the duties of stockholders, directors and officers.

The following preamble and resolutions, presented by James H. Wilock on behalf of the committee on resolutions, were adopted:

"*Whereas*, the currency system, which for so long a time has been a continuous threat to business life, still remains without change or amendment; and

Whereas, the temporary relief caused by favorable trade conditions may be speedily followed by a period of renewed business disturbance and destruction of values; therefore,

Resolved, That we reaffirm our belief in the necessity for the maintenance of the existing gold standard of value, and of a speedy change in our system of currency legislation to the end that the country may have a simple, uniform, stable and redeemable currency, sufficient in amount to meet the necessities of the whole country, and free from the attacks consequent upon the doubt as to the ability of the Government to maintain its credit.

Resolved, That we approve and commend the action of the monetary convention held at Indianapolis last January in appointing a monetary commission, and pledge the assistance of the Pennsylvania Bankers' Association to the eminent commission now in session at Washington, in every effort of theirs that has in view the establishment of a currency system sufficient and secure."

Officers for the ensuing year were chosen as follows:

President—Wm. Hackett, Cashier Easton National Bank, Easton.

Vice-President—Henry C. Parsons, President West Branch National Bank, Williamsport.

Secretary—E. H. Reninger, Secretary and Treasurer Lehigh Valley Trust and Safe Deposit Co., Allentown.

Treasurer—D. McK. Lloyd, President People's Savings Bank, Pittsburg.

Delegates to American Bankers' Association—R. L. Austin, President Independence National Bank, Philadelphia; John H. Maltzberger, Cashier Keystone National Bank, Reading; Wm. Hackett, Cashier Easton National Bank, Easton; John G. Reading, Jr., President Susquehanna Trust and Safe Deposit Co., Williamsport; James A. Meyers, President Columbia National Bank, Columbia; John D. Roberts, President Johnstown Savings Bank, Johnstown; A. D. Clark, Cashier Kane Bank, Kane; O. C. Burgdorf, Cashier German National Bank, Pittsburg.

On motion of Wm. H. Rhawn, President of the National Bank of the Republic, Philadelphia, the following was adopted:

"*Resolved*, That the Council of Administration be authorized and directed, as soon as conveniently may be, to organize a chapter of this association, to be known as the Morris Memorial Chapter of the Pennsylvania Bankers' Association, the object of which shall be the securing of the means for the purpose and the erection in the city of his adoption, Philadelphia, of a statute in bronze of Robert Morris, the patriotic financier of the Revolution and the founder of the first organized bank in the State of Pennsylvania, and the United States."

Votes of thanks were tendered Mr. Brooks and Mr. Pullen for their addresses, also to the local committee and the citizens of Williamsport for their generous entertainment, after which the convention adjourned.

The delegates were given a carriage ride about the city, and at night they participated in a banquet at the Park Hotel. The banquet was one of the finest ever given in the city. The decorations were superb and the menu an elaborate one. There were 200 guests present.

Canada's Postal Savings Banks.—Touching the question of Government Savings and Post Office Savings banks, institutions which furnish the Government at Ottawa with the use of a large and growing aggregate of deposit moneys of the people, it is well to consider the position. Here is an aggregate of $49,000,000 which is held by the Government and invested in public works, instead of being used by merchants and forwarders. It is a portion of the public debt, though no specific paper obligations are issued against it. Year by year interest accumulates upon this, say, a million and a half every year. How do our finance ministers treat this additional debt? He would be an uncommonly frank minister who would not be satisfied to have the public consider that such accrued interest formed a portion of his yearly surplus. And no application to Parliament is made for permission to increase these principal borrowings from the people to $60,000,000, or $80,000,000, or $100,000,000, while specific parliamentary authority is required to effect a debenture loan of even a million abroad. There is an inconsistency here, and the anomaly is by no means free from hazard. In England deposits of a like kind, the savings of the people, are invested in consols, a very different disposition of them. Another consideration in this connection, and not a slight one, is that the Government pays for these deposits 3 per cent., *plus* the cost of administration, whereas our newest loan of $10,000,000 will probably be floated to yield, including all expenses, a rate of about 2¾. Is not this questionable economy?—*Monetary Times (Toronto)*.

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—The Fifth Avenue Trust Company is being organized with $500,000 capital and $500,000 paid-in surplus. Some of the best-known bankers and other capitalists of the city are among the incorporators.

—Banks which clear through members of the clearing-house association are now furnishing a weekly statement for publication. The banks which are not members but clear through other members have capital and net profits of over $17,000,000, about $80,000,000 in loans and investments, and more than $64,000,000 of deposits. There are fourteen National and thirty-eight State banks in the list.

—The Government has arranged to deposit in the National banks of New York and other cities the money received from the recent sale of the Union Pacific Railway. It is understood that sums will be deposited as follows: National City, $15,000,000; Chase, $2,000,000; Hanover, $2,000,000; National Bank of the Republic, $800,000; American Exchange, $500,000; Seaboard, $500,000. Other banks will also be designated as depositories later.

—Theodore W. Myers, former Comptroller of the city, has re-engaged in the banking and brokerage business, the new firm being Theodore W. Myers & Son, 20 New street.

—Alfred De Cordova & Co., for twenty years at 36 New street, have removed to 30 Broad.

—John E. Borne has been elected President of the Colonial Trust Company, in place of ex-Governor Roswell P. Flower, resigned. Mr. Flower was elected Honorary Vice-President.

—Mr. Acosta Nichols has been admitted to partnership in the banking house of Spencer Trask & Co.

—It is reported that the New York banks have loaned considerable money to London on long sterling bills.

—George F. Moger has been appointed Assistant Cashier of the Broadway Bank, Brooklyn.

—Louis V. Bell has retired as a special partner in the firm of Bell & Co.

—The Colonial Trust Co. is now doing business in its handsome offices on the ground floor of the St. Paul Building at Ann Street and Broadway. This company has $1,500,000 capital and surplus, and will do a regular trust and banking business.

—William Combes Dunham, for eleven years receiving teller of the Hanover National Bank, died October 23, in the forty-third year of his age.

—Owing to some changes in the manner of levying taxes, when the consolidation of New York and Brooklyn goes into effect, the Brooklyn banks will be deprived next year of a large amount of city money usually deposited with them.

—The Yokahoma Specie Bank, Limited, has removed from its former location to Nos. 63 and 65 Wall street.

—The National City Bank now has the largest volume of deposits of any National bank in the country.

—At a meeting of the directors of the Hamilton Bank on October 27, William F. Gray, Vice-President of the bank was elected President, to succeed the late David F. Porter, and Edwin F. Schenck, Cashier, was elected Vice-President in Mr. Gray's place. Mr. Schenck will continue also as Cashier.

NEW ENGLAND STATES.

Boston.—It is expected that a considerable part of the money which the Government will receive from the sale of the Union Pacific Railway will be deposited in some of the National banks here, as the local holdings of these securities are large.

Restraining Order Continued.—The Willimantic (Ct.) Savings Institute, which was re-

strained from paying dividends and deposits on February 8 last, has been permitted to pay out ten per cent. of its deposits. Some of the bank officers were in favor of resuming business, but the Bank Commissioners were of the opinion that the assets would be best preserved by continuing the injunction for another year, with the modification as above stated.

MIDDLE STATES.

Syracuse, N. Y.—As the subscription to the stock of the proposed Citizens' Bank came in so freely, it has been decided to make the capital $200,000 instead of $150,000, as at first intended. It is expected that the bank will be ready for business about December 1.

Rochester, N. Y.—The Union Trust Company, capital $200,000, has filed articles of incorporation.

Philadelphia.—Charles W. Klauder has been elected President of the Manayunk Trust Company.

—The Fourth Street National Bank reached its high-water mark on the 2d inst., when its deposits amounted to $15,288,708. When it is considered that the bank has only been doing business for eleven years, its growth is certainly remarkable, and reflects great credit on its officers and directors for the able manner in which they have conducted its affairs.—*Philadelphia Price Current.*

New National Bank.—Preliminary steps have been taken to organize a new National bank at Glyndon, Md.

New Jersey Bank Taxation.—It is reported that the State Board of Taxation will recommend the enactment of a law compelling the chief financial officer of each bank to furnish the State Board of Taxation annually a sworn statement of the names of the holders of the bank's stock, as well as the stockholders' residences and the amount of stock held by each one. It is alleged that under the present law a large part of the bank stock held in the State escapes taxation.

Pittsburg.—On October 29 the building of the Union Trust Company was destroyed by fire, but all the papers and records were saved in good condition. The company has taken quarters at 244 Fourth avenue.

Appointed Bank Examiner.—Alvah H. Grow, of Lock Haven, Pa., has been appointed a bank examiner in that State, to succeed Oscar A. Neff, resigned.

Maryland Bankers' Association.—Lawrence B. Kemp, Secretary, sends the MAGAZINE a copy of the report of the proceedings of the second annual convention of the Maryland Bankers' Association, held at Cumberland, June 2 and 3.

It is a handsome pamphlet, appropriately bound in a cover of gold, symbolical of the metal upon which the banking business of Maryland is based. Indeed, the first act of the Maryland Bankers' Association was to pass a strong resolution against the free coinage of silver and in favor of maintaining the gold standard, and this was reaffirmed at the second convention.

The banks of Maryland will stand comparison with those of any other State in the Union and their association is one of the most effective in the country.

SOUTHERN STATES.

Atlanta, Ga.—At the recent annual meeting of the clearing-house association Frank Hawkins, Jr., was elected President and Geo. R. De Saussure Vice-President for the ensuing year. Thos. C. Erwin, Treasurer, and Darwin G. Jones, Secretary and Manager, were re-elected.

The following banks are members of the association:

Atlanta National Bank, Lowry Banking Company, Capital City Bank, Fourth National Bank, Maddox-Rucker Banking Co., Neal Loan and Banking Co., Third National Bank, Exchange Bank.

North Carolina Banks.—A report sent out by the Treasury of North Carolina on October 1 shows a total of ninety-four banks doing business in that State, of which twenty-seven are National, forty-five State, sixteen private, and six Savings. The aggregate resources of the banks is $19,621,582, and the individual deposits $5,078,397, of which the National banks hold $5,078,397 and the State banks $2,909,546, the balance being in the Savings and private banks.

Branch Bank Established.—The Merchants' Bank, of Florence, Ala., has opened a branch at Tuscumbia in that State.

Banks May Consolidate.—It is reported that efforts are being made to effect a consolidation of the National Bank of Savannah, Ga., and the Merchants' National, of that city.

New Private Bank.—Wright & Weskolski opened a private Bank at Cordele, Ga., November 1, with $50,000 capital.

Norfolk, Va.—The Bank of Commerce will increase its capital from $100,000 to $200,000.

Georgia Banking Laws.—A committee representing the Georgia Bankers' Association recently called on Gov. Atkinson and requested him to call attention in his message to the Legislature to the urgent need of a revision of the banking laws of the State.

Rome, Ga.—A new institution is being organized, to be known as the Citizens' Bank. It will have $50,000 capital.

Debt of North Carolina.—The interest-bearing bonded debt of North Carolina amounts to $6,086,250, and the total annual interest $297,850. The State has an annual income of upwards of $195,000 from its stock in the N. C. R. R. Co.

Raleigh, N. C.—This city recently sold to Estabrook & Co., Boston, an issue of $50,000 in bonds at 109.327. This is an advance of about three cents on the dollar over the last issue sold, indicating a high credit for the city.

WESTERN STATES.

Chicago.—Hon. James H. Eckels, Comptroller of the Currency, has been elected President of the Commercial National Bank, to succeed the late Henry F. Eames. It is said that Mr. Eckels will not assume the duties of the office until about the first of next year. He will have associated with him in the management of the institution two men with whom he has formerly been closely associated. John C. McKeon, formerly bank examiner of this district and lately Receiver of the National Bank of Illinois, will be Vice-President, and Joseph C. Talbot, the present bank examiner of this district, will be Cashier. They will assume their new duties January 1 with Mr. Eckels.

—The Illinois Trust and Savings Bank has opened extensive safety deposit vaults in the basement of its new building at La Salle and Jackson streets.

Coshocton, Ohio.—The ill effects on business which might have followed the recent closing of the Farmers' Bank here were averted by the prompt action of the Commercial Banking Company, which extended credit to the business men whose funds were locked up in the closed bank.

The Commercial Banking Company, for the past twenty-five years, has always supplied accommodations to its customers, and even in the panic of 1893 none of the manufacturing industries doing business with this bank had to close for want of funds. The bank has been a material factor in the progress of the town and in promoting the prosperity of its citizens.

Kansas Banking News.—The First State Bank, Garnett, Kan., opened for business on October 4, with $20,000 capital.

—The Bennington Banking Company, of Bennington, which closed a short time ago because of the death of the principal owner, has resumed as a State bank.

—It is reported that the Farmers and Merchants' Bank, of Pratt, has sold its business to the People's Bank.

—The Bank of Western Kansas, Garden City, has sold its business to the First National Bank.

Form of Organization Changed.—It is reported that the Alexandria (Ind.) National Bank has changed to a private bank, reducing its capital from $50,000 to $30,000.

Bank Goes Into Liquidation.—It is stated that the First National Bank, New Albany, Ind., will go into liquidation because of light business. The bank has done business for thirty-two years, and has always paid dividends, but on account of the small demand for money and the competition of the Louisville banks, it now finds business unprofitable. Depositors will be paid on demand, and stockholders will get back their investment and a surplus.

Capital Stock Reduced.—The Butler (Ky.) Deposit Bank has reduced its capital from $25,000 to $15,000.

Louisville, Ky.—It is said that the State authorities contend that the trust companies are doing a banking business, contrary to the provisions of the new constitution. On behalf of the trust companies it is claimed that the receiving of deposits in the present manner does not constitute a banking business, according to the terms of the statutes.

Kansas City, Mo.—The statement of the Kansas City banks at the close of business October 5 shows that deposits have increased $6,000,000 in eleven weeks.

New Bank Incorporated.—The Citizens' Bank, capital $25,000, has been incorporated at Fulton, Ky.

New Dakota Banks.—A charter has been issued to the La Moure County Bank, of Kulm, No. Dak., capital $10,000; also to the Bank of America, at Bisbee, capital $5,000.

Action Against Banker Dismissed.—The case against W. R. O'Hearn, formerly cashier of the Jackson County Bank, Black River Falls, Wis., for receiving deposits while the bank was insolvent, was dismissed on October 5 for want of evidence. The bank has reorganized and resumed business some time ago.

Detroit, Mich.—Early on the morning of October 7 fire destroyed the Detroit Opera House building, in which the Central Savings Bank was located. The bank promptly secured large and well-appointed offices at 151 Griswold street, and opened for business that morning at the usual hour, without inconveniencing its customers or experiencing the slightest confusion in any of its departments.

—The Detroit Bankers' Club held its first annual banquet at the Russell House, October 13, President Emory Wendell presiding. There were sixty members and guests present, prominent among the latter being Hon. Peter White, of Marquette.

—The Wayne County Savings Bank of this city has had a remarkable growth. It was organized in August, 1871, and opened for business on October 2 of that year. In 1877, the deposits had grown to $1,500,000, and they continued to increase right along, being $2,400,000 in 1881, and $3,399,309 in 1883, and $6,559,642 on January 1, 1897. By July 10 of the present year the deposits had further increased to $7,499,373. The bank has recently issued a most attractive folder illustrating the handsomely appointed banking rooms and office building which the bank owns and occupies. Much of the gratifying progress of the bank is due to the management of President S. Dow Elwood, who has been connected with the institution since its organization.

New Savings Bank.—Articles of association of the State Savings Bank, Laurium, Mich., capital, $50,000, have been filed with the State Bank Commissioner.

New Banks in Kentucky.—C. C. Ricketts and others are organizing a new bank at Lebanon Junction, Ky., with $15,000 capital.

—Subscriptions are being obtained to the stock of a new bank at Murray, Ky.

—A charter has been issued to the State Bank and Trust Co., of Richmond; capital stock, $150,000.

An Indiana Bank Robbed.—On November 2 the Bank of Shipshewana, Ind., was robbed of over $10,000 by burglars who blew open the vaults.

PACIFIC SLOPE.

San Francisco.—The annual meeting of the Bank of California was held October 12. The financial report of the Secretary showed assets amounting to $17,184,209; average cash movement per month, $67,645,586, and the total for twelve months, $811,747,042; net earnings for the year, $2,645,790. At the election the former directors and officers were re-elected.

—It is reported that the Nevada Bank has sent circulars to its shareholders asking their consent to a change to a National bank.

—On December 1 the Sather Banking Co. will reorganize as the San Francisco National Bank; capital, $500,000.

—The annual meeting of the Nevada Bank of San Francisco was held October 13. The financial statement showed assets amounting to $10,492,990, of which $3,083,198 was in cash on hand. The earnings for the year were $357,697, out of which dividends were paid amounting to $180,000. The net balance of profits was $53,450.

—Frank V. McDonald, former Cashier and director of the Pacific Bank, which he piloted to wreck, died in London on October 4. He had been a fugitive from the sheriff of this city for three years before his death.

—It is stated that Chas. E. Knight, a bookkeeper in the employ of the Crocker-Woolworth National Bank, will be appointed a National bank examiner.

Wyoming Banks.—State Examiner Harry B. Henderson sends to the MAGAZINE a tabulated statement showing the condition of the State and private banks of Wyoming at the close of business October 5. The deposits of the State banks are $238,662 and the private banks $753,140, the aggregate showing an increase of $230,000 over a year ago. The per cent. of reserve to liability is 59.8 in the State banks and 40.5 in the private banks.

New Bank in Washington.—The Bank of Rosalia, Wash., is reported organizing with $25,000 capital.

Bank Winds Up.—The State Bank, of Cheney, Wash., has paid depositors and gone out of business.

FAILURES, SUSPENSIONS AND LIQUIDATIONS.

Kansas.—The State Bank, Walnut, was closed by a Bank Examiner, October 27. Liabilities are about $16,000, which are offset by $6,000 cash on hand, and other resources.

—The Bank of St. Francis went into voluntary liquidation October 19.

Maine.—The Treasurer of the suspended Lubec Savings Bank was recently placed under arrest. It is said that investigation has shown an apparent shortage of $20,000 in his accounts.

Michigan—The Grayling Exchange Bank, of Grayling, closed November 2. It is reported that depositors will lose about $25,000.

Minnesota—MINNEAPOLIS.—A report of the Receiver of the Bank of Minneapolis recently filed shows assets of an estimated value of $137,569, and liabilities exclusive of capital stock, $107,940.

New York—NEW YORK CITY.—On October 28 the banking and brokerage firm of Read, Parsons & Co. suspended. W. G. Read, Jr., who was a member of the firm, committed suicide a short time since.

North Carolina.—On October 12 the Western Carolina Bank, of Asheville, which was subjected to a run by the failure of the First National Bank in July, closed its doors. It is said to be overloaded with real estate on which realization will be slow.

The National Bank of Asheville closed on October 22.

It is reported that the failed First National Bank, of Asheville, holds $250,000 of accommodation notes made by insolvent persons. Some of the officers have been arrested.

—The Bank of Louisburg assigned to W. H. Ruffin, October 19; liabilities about $35,000.

This bank had a branch at Nashville, N. C. W. C. Webb, the President, has been arrested on the charge of making false statements and secreting assets. It is said depositors will get about forty per cent. of their claims.

Ohio.—On October 25 Geo. A. Hay was appointed Receiver for the Farmers' Bank, Coshocton, which is going out of business on account of a disagreement among the partners and the trustees of the estate of the late John P. Peck, who was President of the bank. It is said that creditors will not lose anything.

Pennsylvania.—On October 28 the First National Bank, of Athens, went into voluntary liquidation; creditors will get the full amount of their claims.

South Dakota.—Owing to a lack of profitable business, the Bank of Verdon closed its doors on October 22, and will not reopen.

Texas.—The City Bank, Sherman, capitalized at $300,000, suspended October 18, owing depositors $60,000.

Virginia.—On October 14 it was reported that application had been made for the appointment of a Receiver for the Traders' Loan, Trust and Deposit Co., Roanoke.

Wisconsin.—The Bank of Lodi closed 20.

—The Bank of Edgerton suspended October 19. It was organized in 1880, and had about $148,000 in deposits. The Cashier is said to have admitted losing about $60,000 in speculation.

No International Bimetallism.—The scheme of international bimetallism is a failure for the present at least. The Administration has tried to promote international bimetallism, and has failed. It would seem to an impartial observer that as we now have the standard of value in use by all nations of the first class, and most of those of the second, it would be well to adhere to and make the best of it. Whatever inconvenience results from the want of a stable par of exchange between gold and silver countries is shared by Great Britain, as Lord Salisbury expressly admits. It is shared by all the other commercial nations of the world in proportion to their importance, or to the amount of trade they may have with countries having a different standard. The United States have done all, and more, that could be fairly expected of them to remedy this inconvenience. All our efforts in this direction have been futile. They have been repeatedly met by propositions that this country shall take the chief burden of making silver as good as gold at present ratios, or some new one. It seems about time for the United States Government to take a rest, and let some of the others walk the floor. These discussions have the effect of disturbing our own finances without bettering the situation in other respects.—*Louisville Courier-Journal.*

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of New National banks organized since our last report. Names of officers and other particulars regarding these New National banks will be found under the different State headings.

5091—First National Bank, Paul's Valley, Indian Territory. Capital, $50,000.
5092—Woodsville National Bank, Woodsville, New Hampshire. Capital, $50,000.
5093—First National Bank, Catonsville, Maryland. Capital, $50,000.
5094—Commercial National Bank, Union City, Indiana. Capital, $50,000.
5095—First National Bank, Shawnee, Oklahoma Territory. Capital, $50,000.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

Citizens' National Bank, East Liverpool, Ohio; by John J. Purinton, *et al.*
Kutztown National Bank, Kutztown, Pa.; by O. P. Grimley, *et al.*
First National Bank, Seguin, Texas; by Charles E. Tips, *et al.*
Alma National Bank, Alma, Kans.; by L. Palenske, *et al.*
First National Bank, Berlin, Pa.; by Wm. A. Garman, *et al.*

NEW BANKS, BANKERS, ETC.

ARIZONA.

TUCSON—American Bank and Trust Co.

GEORGIA.

ATLANTA—Atlanta Savings Society.
CORDELE—Wight & Weskloski; capital, $50,000.
MACON—Commercial and Savings Bank; capital, $50,000; Pres., E. Y. Mallory; Cas., J. J. Cobb.
ROME—Citizens' Bank; capital, $50,000.
STILLMORE -- Bank of Stillmore; capital, $25,000.

ILLINOIS.

MAROA—Citizens' Bank; Pres., J. H. Parker; Vice-Pres., M. R. Alsop; Cas., D. N. Gray.

INDIANA.

UNION CITY — Commercial National Bank (successor to Commercial Bank); capital, $50,000; Pres., Wm. Kerr; Cas. J. F. Rubey.

INDIAN TERRITORY.

FAIRLAND—Bank of Fairland; capital, $10,000; Pres., F. M. Comer; Vice-Pres., D. W. Vaun; Cas., N. C. Gallemore.
PAUL'S VALLEY—First National Bank; capital, $50,000; Pres., C. J. Grant; Vice-Pres., S. J. Garvin; Cas., E. C. Gage; Asst. Cas., Ralf Goddard.

IOWA.

DANA—J. A. Rowles, Banker.
LAWLER—Merchants' Exchange Bank (James Curran).
MARNE—Exchange Bank; Cas., John W. Gray.
OLDS—Farmers and Merchants' Bank; Pres., Thos. W. Rickey; Cas., Jno. W. Young.
POPEJOY—J. H. Corcoran.
WESTGATE — Bank of Westgate; capital, $1,000; Pres., W. H. Schoonmaker; Cas., J. W. Dwyer.

KANSAS.

BENNINGTON—Bennington State Bank (successor to Bennington Banking Co.); capital, $12,000; Pres., J. H. Nelson; Vice-Pres., Wm. H. Rowe; Cas., David Binns.
GARNETT—First State Bank; capital, $30,000; Pres., W. W. Aldrich; Cas., E. M. Elliott; Asst. Cas., O. B. Aldrich.

KENTUCKY.

FAIRFIELD—People's Bank (branch of Bardstown).
FULTON — Citizens' Bank; capital, $25,000; Pres., Smith Fields; Cas., C. E. Rice.
LEBANON JUNCTION — Lebanon Junction Bank; capital, $7,500; Pres., J. H. Hoskins; Cas., C. C. Ricketts.
MURRAY—Galen Miller.
RICHMOND—State Bank & Trust Co.; capital stock, $150,000.

MARYLAND.

CATONSVILLE—First National Bank; capital, $50,000; Pres., Chas. G. W. Macgill; Cas., Arthur C. Montell.

MICHIGAN.

FENTON—Wightman Exchange Bank (E. B. Wightman); capital, $15,000; Cas., E. D. Kennedy.
HOMER—Homer Banking Co. (successor to First State Bank).
LAURIUM—State Sav. Bank; capital, $50,000.
SANILAC CENTER—Truman-Moss State Bank; capital, $20,000; Pres., Julia H. Mills; Vice-Pres., Elizabeth M. M. Auketell; Cas., Chas. J. Oleson.

MINNESOTA.

NICOLLET — Citizens' State Bank; capital, $10,000; Pres., Andrew Anderson; Vice-Pres., Henry Enter; Cas., A. T. Swenson.

MISSOURI.

HAYTI—Farmers & Merchants' Bank; capital, $8,600; Pres., J. E. Franklin; Cas., W. E. Talley.

NEW HAMPSHIRE.

WOODSVILLE—Woodsville Nat. Bank; capital, $50,000; Pres., Henry W. Keyes; Cas., H. W. Allen.

NEW YORK.

CORNWALL-ON-HUDSON — Cornwall Bank; capital, $25,000; Pres., Chas. C. Cocks; Cas., Jos. W. Cummin.

SYRACUSE—Citizens' Bank (organizing); capital, $200,000.

NEW YORK CITY—Fifth Avenue Trust Co. (organizing); capital, $500,000.—Lindsley & Yates, 24 Pine St.—Lockwood, Hurd & Co., 44 Broadway.

NORTH DAKOTA.

BISBEE—Bank of America; capital, $5,000; Pres., H. J. Haskamp; Cas., Henry Thien.

KULM—La Moure County Bank; capital, $10,000.

OHIO.

EAST LIVERPOOL—Union Savings Bank & Trust Co.

OKLAHOMA.

SHAWNEE—First National Bank; capital, $50,000; Pres., J. H. Maxey; Cas., Willard Johnston.

SOUTH CAROLINA.

DILLON — Dillon Banking & Grocery Co.; capital stock, $25,000; Pres., J. H. Stafford; Cas., G. B. Stackhouse.

GREENVILLE—Carolina Loan and Trust Co.; capital $50,000; Jno. H. Earle, Manager.

TEXAS.

MOUNT VERNON—Franklin County National Bank; capital, $50,000; Pres., J. H. Majors.

ROYSE CITY—Royse City Bank; capital $20,000; Pres., James Paulk; Vice-Pres., W. P. West; Cas., E. M. Paulk.

SEGUIN — First National Bank; capital, $50,000; Pres., Charles E. Tips; Cas., Geo. W. Vaughan.

UVALDE—Collier & Co.; Cas. W. W. Collier.

WYLIE — Housewright Co.; Banking and Exchange.

WASHINGTON.

ROSALIA—Bank of Rosalia; capital, $25,000; Ralston McCaig, Manager.

CHANGES IN OFFICERS, CAPITAL, ETC.

ARKANSAS.

PINE BLUFF—Citizens' Bank; H. C. Rather, Cas. in place of H. Riley.

CALIFORNIA.

POMONA—People's Bank; Wm. B. Dole, Pres. deceased.

CONNECTICUT.

BRIDGEPORT—City National Bank; Frederick J. Banks, Cas. resigned.

HARTFORD—State Bank; John R. Buck elected director in place of Nelson Hollister, deceased.

STAFFORD SPRINGS—First National Bank; E. C. Dennis, Asst. Cas.

GEORGIA.

ATLANTA—Atlanta Clearing-House Association; Frank Hawkins, Jr., Pres. in place of W. L. Peel; Geo. R. De Saussure, Vice-Pres. in place of E. H. Thornton.

MONTICELLO—Bank of Monticello; J. H. Kelly, Pres. in place of W. S. Witham.

SAVANNAH—Chatham Bank; W. F. McCauley, Cas. in place of R. F. Burdell, deceased.

ILLINOIS.

CANTON—First National Bank; W. J. Orendorff, Vice-Pres., deceased.

CHICAGO—Merchants' Loan and Trust Co.; Geo. M. Pullman, director, deceased.—Commercial National Bank; James H. Eckels, Pres. in place of H. F. Eames, deceased; John C. McKeon, Vice-Pres. (changes in effect Jan. 1, 1898).

METROPOLIS—First National Bank; J. M. Choat, Cas. in place of W. H. Armstrong.

PLANO—H. H. Henning; succeeded by Steward Bros.

PULLMAN—Pullman Loan and Savings Bank; Geo. M. Pullman, Pres., deceased.

INDIANA.

ALEXANDRIA—Alexandria National Bank; reorganized as private bank; capital reduced to $30,000.

FORTVILLE—Fortville Bank; Alfred Denney, Pres., deceased.

GREENSBURGH—First National Bank; Geo. P. Shoemaker, Cas. in place of E. R. Forsyth; no Asst. Cas. in place of Geo. P. Shoemaker.

SHELBYVILLE — Farmers' National Bank; James S. Jeffers, Pres., deceased.

WALKERTON—Farmers' Bank; reorganized and title changed to Walkerton Bank.

IOWA.

BURLINGTON—Merchants' National Bank; J. L. Edwards, Cas. in place of H. C. Garrett.

NEW SHARON—New Sharon State Bank; H. H. Hammond, Cas., deceased.

REDFIELD—Bank of Redfield; Geo. E. Curtis, Jr., Asst. Cas.

KANSAS.

DIGHTON—First State Bank (successor to

First National Bank); J. S. Simmons, Pres.; F. W. King, Cas.

GARDEN CITY—Bank of Western Kansas; reported sold out to First National Bank.

OSKALOOSA—Jefferson County Bank; M. L. Critchfield, Pres., in place of T. Critchfield, deceased; L. C. Critchfield, Vice-Pres.; Charles F. Johnson, Cas.; Mae Critchfield, Asst. Cas.

PRATT—Farmers and Merchants' Bank; business sold to People's Bank.

PRETTY PRAIRIE—Farmers' State Bank; succeeded by State Bank.

STERLING—First National Bank; C. Hawkins, Cas. in place of P. Himrod; no Asst. Cas. in place of C. Hawkins.

KENTUCKY.

BUTLER—Butler Deposit Bank; capital stock reduced from $25,000 to $15,000.

LOUISIANA.

ST. MARTINSVILLE—Bank of St. Martinsville; Chas. A. Thomas, Asst. Cas., deceased.

MASSACHUSETTS.

BOSTON—Nat'l Eagle Bank; Daniel Denny, director, deceased.——Central Nat'l Bank: John W. Leighton, director, deceased.——Atlantic National Bank; James T. Drown, Cashier, deceased.

HARWICH—Cape Cod National Bank; Augustus C. Snow, Cas. in place of Geo. W. Snow.

MICHIGAN.

BENTON HARBOR—Deposit and Loan Co.; succeeded by Rounds, Warner & Co.

DETROIT—Central Savings Bank; removed to McGraw Building, 151 Griswold St.——Union National Bank; Thos. McGraw, Vice-Pres., deceased; also director City Savings Bank.

MASON—First State & Savings Bank; H. L. Henderson, Pres., deceased.

ST. CLAIR—Commercial and Savings Bank; Bela W. Jenks, Vice-Pres., deceased.

MINNESOTA.

FISHER—Citizens' Bank; H. O. Rosaaen, Pres.; James Rosaaen, Cas.

ST. CLOUD—Merchants' National Bank; John M. Schwartz, Cas., resigned.

MISSOURI.

ADRIAN—Adrian Banking Co.; Jason Scudder, Pres., deceased.

CAMPBELL—Bank of Campbell; Louis McCutchen, Pres.; Theo. Mueller, Cas.

FULTON—Southern Bank; C. W. Jameson, Pres. in place of Samuel L. Dedman; J. E. Maughs, Cas. in place of C. W. Jameson.

HAMILTON—Hamilton Savings Bank (incorporated); capital, $40,000.

PINEVILLE—McDonald County Bank (chartered); capital increased to $10,000; Hugh Dobbs, Pres.; Lymon W. White, Vice-Pres.; A. V. Manning, Cas.

NEBRASKA.

LIBERTY—State Bank (successor to First National Bank); F. B. Shelden, Pres.

NEW HAMPSHIRE.

PITTSFIELD—Pittsfield Savings Bank; S. J. Winslow, Treas. in place of Geo. F. Berry, deceased.

NEW JERSEY.

NEWARK — Newark City National Bank; Albert Baldwin, Vice-Pres., deceased.

NEW YORK.

ALBANY—Albany City National Bank; Geo. H. Thacher, Pres. in place of Erastus Corning, deceased; Geo. I. Amsdell, First Vice-Pres. in place of Geo. H. Thacher; John E. Walker, Second Vice-Pres. in place of Geo. I. Amsdell.

BROCKPORT—First National Bank; Luther Gordon, Cas. in place of H. A. Metcalf; Philip F. Swart, Asst. Cas.

BROOKLYN—Brooklyn Trust Co.; Frank L. Hine elected trustee in place of Michael Chauncey, deceased.——Broadway Bank; Geo. F. Moger, Asst. Cas.

NEW YORK CITY—Hotchkiss & Frank; removed to 35 Broad Street.——Martin & Co.; A. F. R. Martin, deceased.——Hamilton Bank; Wm. F. Gray, Pres. in place of Daniel Fletcher Porter, deceased; Edwin F. Schenck, Vice-Pres. and Cas.——Alfred De Cordova & Co.; removed to 30 Broad Street.——Colonial Trust Co.; Jno. E. Borne, Pres. in place of Roswell P. Flower, resigned; Roswell P. Flower, Honorary Vice-Pres.——W. C. Sheldon & Co.; dissolved on account of death of W. C. Sheldon, Jr.; business carried on under same name by G. R. Sheldon, W. S. P. Prentice and W. C. Sheldon.——Yokohama Specie Bank, Ltd.; removed to 63 and 65 Wall Street.——Wm. F. Kiernan, Banker, deceased.——Herzfeld & Co.; Lewis H. Strouse, deceased.——Bell & Co.; Louis V. Bell retired from firm.——Simmons & Slade; Prescott Slade admitted to firm.——Spencer Trask & Co.; Acosta Nichols admitted to firm.——Price, McCormick & Co., reorganized; Bernard J. Harrison admitted as general partner.

RANDOLPH—State Bank; J. A. Crowley, Cas.; Frank L. Seager, Asst. Cas.

TROY—Central National Bank; Justus Miller, Vice-Pres. and director, deceased.

NORTH DAKOTA.

DRAYTON—First Bank; capital reduced to $25,000.

OHIO.

CINCINNATI — Cincinnati Safe Deposit and Trust Co.; Rudolph Wurlitzer, elected director in place of Edward Sargent, deceased.——Market National Bank; E. A. Donnally, Cas. in place of Casper H. Rowe;

Louis G. Pochat, Asst. Cas. in place of E. A. Donnally.

COSHOCTON — Farmers' Bank (in hands of Receiver); John P. Peck, Pres., deceased.

LONDON—Madison National Bank; W. M. Jones, Pres. in place of Stephen Watson, deceased.——London Exchange Bank; Stephen Watson, Vice-Pres., deceased.

MEDINA—Old Phœnix National Bank; B. H. Wood, Pres. in place of R. M. McDowell, deceased.

XENIA—Citizens' National Bank; F. E. McGervey, Acting Cas. from October 1, 1897, to June 1, 1898.

PENNSYLVANIA.

BEDFORD—Jno. G. Hartley & Co.; Jno. G. Hartley, deceased.

BELLEFONTE—Jackson, Hastings & Co.; Geo. W. Jackson, deceased.

CLARION—First National Bank; S. Win Wilson, Pres. in place of C. Leeper, deceased.

DANVILLE—Danville National Bank; Wm. J. Baldy, Pres.

HONESDALE—Wayne Co. Sav. Bank; Lorenzo Grambs, Pres. in place of Isaac N. Foster, deceased.

PHILADELPHIA—Union Trust Co.; Richard S. Edwards, Sec. and Treas. in place of D. Howard Foote.——Western National Bank; no Cas. in place of John C. Garland, deceased; Charles F. Wignall, Asst. Cas.——Manayunk Trust Co.; Chas. W. Klauder, Pres. in place of Graham Littlewood, resigned.——First Penny Savings Bank; Wm. McCouch, Cas., deceased.——Philadelphia National Bank; L. L. Rue, elected director in place of Edward S. Clarke.——Land Title and Trust Co.; P. A. B. Widener and Wm. L. Elkins elected directors in place of J. Sergeant Price, deceased, and G. C. Purves, resigned.

PITTSBURG—Dollar Savings Bank; A. W. Pollock, Pres. in place of Wm. W. Speer.——Iron City Nat. Bank; Wm. W. Speer, director, deceased.——Union Trust Co.; removed to 244 Fourth Ave.

WAYNESBURG—Farmers and Drovers' Nat. Bank; E. M. Sayers, Pres. in place of Geo. S. Wyly.

RHODE ISLAND.

NEWPORT—National Bank of Rhode Island; H. Wallace Briggs, director, deceased.

WICKFORD—Wickfork National Bank; no Asst. Cas. in place of Wm. C. Hunt.

SOUTH DAKOTA.

HURON—Standard Sav. Bank; E. B. Soper, Pres. in place of Andrew Riegel; Geo. C. Fullenweider, Vice-Pres.; W. S. Davis, Cas.

TENNESSEE.

NASHVILLE—D. S. Williams, Vice-Pres. in place of H. W. Grantland; F. O. Watts, Cas. in place of D. S. Williams; E. A. Lindsey, Asst. Cas.——Nashville Trust Co.; W. F. Foster and D. N. Kennedy, elected directors in place of John P. White and James Simmons, deceased.

UNION CITY — First National Bank; Seid Waddell, Pres. in place of Lexie S. Parks; Lexie S. Parks, Cas. in place of F. O. Watts; E. V. Caldwell, Asst. Cas. in place of Geo. G. Bell.

TEXAS.

AUSTIN—James H. Raymond & Co.; James H. Raymond, deceased.

COMANCHE—First National Bank; W. Martin, Pres. in place of T. R. Hill; N. R. Lindsey, Vice-Pres. in place of J. M. Presler; J. B. Herndon, Cas. in place of J. D. Sherrill; no Asst. Cas. in place of C. B. Mason.

FORT WORTH—American National Bank; Luther I. Boaz, Pres. in place of C. J. Shapard; J. M. Ligan, Cas. in place of Luther I. Boaz; James M. Reily, Asst. Cas.

HILLSBORO—Hill County National Bank; J. D. Warren, Vice-Pres. in place of E. M. Turner.

MARSHALL — Marshall Nat. Bank; no Cas. in place of J. P. Alford.

VIRGINIA.

RICHMOND—Metropolitan Bank; Lewis Ginter, director, deceased.

WASHINGTON.

MOUNT VERNON - First National Bank; Geo. D. McLean, Pres.; R. G. Hannaford, Cas. in place of J. L. Schultz; no Asst. Cas. in place of R. G. Hannaford.

WEST VIRGINIA.

CHARLESTON—Citizens' National Bank; no Vice-Pres. in place of J. H. Huling.

LEWISBURG—Bank of Lewisburg; Robert F. Dennis, Vice-Pres., deceased; William E. Nelson, Cas. in place of J. W. Mathews, deceased; Mason Mathews, Asst. Cas.

WISCONSIN.

MARSHFIELD—First National Bank; "authority given by Board of Directors to John Seubert to sign name of Edw. L. Reese, Cashier, per John Seubert, to drafts, checks, certificates of deposit, advices, etc., issued by this bank."

CANADA.

NEW BRUNSWICK.

NEW CASTLE—Bank of Nova Scotia; D. R. Laird, Agent.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

DISTRICT OF COLUMBIA.

WASHINGTON—National Bank of the Republic; in voluntary liquidation.

ILLINOIS.

CHICAGO—Prairie State National Bank; in voluntary liquidation October 15.

INDIANA.

NEW ALBANY—First National Bank; in voluntary liquidation.

KANSAS.

NETAWAKA—State Bank; in voluntary liquidation.

ST. FRANCIS—Bank of A. D. Lucas; in voluntary liquidation October 19.

WALNUT—State Bank.

MICHIGAN.

GRAYLING—Grayling Exchange Bank (Staley & French).

NEW YORK.

NEW YORK CITY—Read, Parsons & Co.; suspended October 28.

NORTH CAROLINA.

ASHEVILLE — Western Carolina Bank; in liquidation.

LOUISBURG—Bank of Louisburg; assigned to W. H. Ruffin, October 19.

OHIO.

COSHOCTON—Farmers' Bank; in hands of Geo. A. Hay, Receiver, October 25

PENNSYLVANIA.

ATHENS—First National Bank; in voluntary liquidation October 28.

SOUTH DAKOTA.

VERDON—Bank of Verdon.

TEXAS.

SHERMAN—City Bank.

VIRGINIA.

ROANOKE—Traders' Loan, Trust and Deposit Co. (Receiver applied for.)

WASHINGTON.

CHENEY—State Bank.

WISCONSIN.

EDGERTON—Bank of Edgerton; in hands of Jno. R. Bennett, Receiver.

LODI—Bank of Lodi; closed October 20.

Foreign Trade Movements.

In the month of September the total exports of merchandise were valued at $104,691,205 and the excess of exports over imports was $62,281,187. Only five times in the history of the country have a month's exports equalled this total and the net exports have been exceeded only once, in October, 1896, when they were $63,000,000. The imports have fallen to a very low point, less than $42,500,000, and are $8,000,000 less than in September, 1896, and nearly $23,000,000 less than in 1895. There was $4,000,000 of gold imported as against $34,000,000 in September last year. The exports of silver fell below $4,000,000. For the nine months of the year the net exports of merchandise were $157,600,000, of gold $19,500,000 and of silver $34,800,000, a total of nearly $212,000,000 as against $174,000,000 last year.

EXPORTS AND IMPORTS OF UNITED STATES.

MONTH OF SEPTEMBER.	MERCHANDISE.			GOLD BALANCE.	SILVER BALANCE.
	Exports.	*Imports.*	*Balance.*		
1892	$82,908,483	$67,466,062	Imp., $4,557,579	Exp., $2,324,127	Exp., $1,190,606
1893	72,026,798	46,300,612	Exp., 25,726,186	Imp., 5,242,063	" 2,827,396
1894	58,798,675	50,647,698	" 8,150,977	" 418,118	" 3,106,094
1895	58,540,063	65,305,320	Imp., 6,765,257	" 16,674,609	" 3,618,201
1896	85,131,098	50,855,990	Exp., 34,275,108	Imp., 34,098,090	" 4,792,432
1897	104,691,205	42,410,018	" 62,281,187	" 4,189,596	" 3,926,046
NINE MONTHS.					
1892	665,310,099	636,106,009	Exp., 29,204,090	Exp., 51,814,506	Exp., 10,173,447
1893	603,221,873	625,325,372	Imp., 22,103,499	" 10,317,382	" 18,413,460
1894	576,618,276	503,500,042	Exp., 73,028,234	" 73,815,163	" 27,989,673
1895	557,927,466	601,043,139	Imp., 43,115,673	" 44,350,343	" 30,683,946
1896	666,061,890	522,088,289	Exp., 143,973,601	Imp., 8,014,010	" 38,020,404
1897	746,388,535	588,749,142	" 157,639,393	Exp., 19,473,795	" 34,766,259

Pardon for Bank-Wreckers.—The President has pardoned still another National bank-wrecker, Lewis Redwine, who embezzled funds from an Atlanta institution. Redwine's term, it is stated, would have soon expired, but the pardon was strongly urged by Georgia people, while Senator Bacon made a personal request for it. The executive clemency has now been exercised in a notable list of such cases.—*Springfield (Mass.) Republican.*

NATIONAL BANK RETURNS—RESERVE CITIES AND THE UNITED STATES.

By the courtesy of the Comptroller of the Currency at Washington, the BANKERS' MAGAZINE has been favored with the complete returns of the National banks in all the reserve cities, at the date of the last call on October 5, 1897. These are published below in conjunction with the two preceding statements of July 23, 1897, and May 14, 1897. In this form the figures become much more valuable by reason of the comparison. In this complete shape the returns of National banks in the reserve cities are published in the BANKERS' MAGAZINE exclusively.

A table showing the condition of all the National Banks of the United States at the date of the last three reports will be found immediately following the reserve cities.

NEW YORK CITY.

RESOURCES.	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*
Loans and discounts	$355,090,811	$381,543,610	$408,395,475
Overdrafts	157,863	171,856	128,242
U. S. bonds to secure circulation	19,256,000	18,939,000	18,939,000
U. S. bonds to secure U. S. deposits	1,300,000	1,380,000	1,360,000
U. S. bonds on hand	4,266,200	4,423,850	4,593,900
Premiums on U. S. bonds	2,057,824	2,076,383	2,049,417
Stocks, securities, etc	39,339,656	40,673,921	40,701,485
Banking house, furniture and fixtures	13,652,947	13,911,729	13,962,704
Other real estate and mortgages owned	1,829,145	1,778,459	1,942,488
Due from National banks (not reserve agents)	30,039,394	27,687,346	28,944,448
Due from State banks and bankers	5,536,684	4,924,591	4,955,489
Due from approved reserve agents	.....	.....	.....
Checks and other cash items	2,075,393	1,874,433	2,662,685
Exchanges for clearing-house	46,747,980	54,708,847	66,438,644
Bills of other National banks	765,563	1,036,427	788,569
Fractional paper currency, nickels and cents	48,144	51,995	65,736
*Lawful money reserve in bank, viz.:			
Gold coin	17,258,989	16,582,169	18,237,220
Gold Treasury certificates	9,170,160	6,618,260	6,771,340
Gold clearing-house certificates	45,346,000	51,040	52,985,000
Silver dollars	99,233	62,242	92,988
Silver Treasury certificates	5,837,371	5,742,852	3,821,405
Silver fractional coin	442,899	505,559	480,924
Legal-tender notes	38,984,723	49,315,965	27,672,648
U. S. certificates of deposit for legal-tender notes	35,810,000	28,915,000	26,445,000
Five per cent. redemption fund with Treasurer	857,342	843,022	843,023
Due from U. S. Treasurer	1,283,471	836,202	998,847
Total	$677,253,677	$715,623,815	$733,611,682

LIABILITIES.			
Capital stock paid in	$48,600,000	$48,600,000	$48,600,000
Surplus fund	43,042,000	42,892,000	42,892,000
Undivided profits, less expenses and taxes paid	17,953,901	17,401,566	17,541,998
National bank notes issued, less amount on hand	14,786,305	13,874,255	16,183,457
State bank notes outstanding	16,556	16,556	16,556
Due to other National banks	161,847,029	179,190,351	183,982,331
Due to State banks and bankers	71,758,220	74,272,082	80,878,290
Dividends unpaid	103,475	156,569	172,506
Individual deposits	316,669,249	337,515,801	341,896,866
U. S. deposits	885,593	875,526	768,273
Deposits of U. S. disbursing officers	292,812	281,956	330,838
Notes and bills rediscounted	.....	.....	.....
Bills payable	10,000	200,000	300,000
Liabilities other than those above stated	198,593	347,150	57,978
Total	$677,253,677	$715,623,815	$733,611,682
Average reserve held	32.83 p. c.	31.68 p. c.	27.10 p. c.
* Total lawful money reserve	$152,949,355	$158,782,047	$136,506,525

RESOURCES.	ALBANY, N. Y.			BALTIMORE, MD.			BOSTON, MASS.		
	May 14, 1897.	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*
Loans and discounts	$7,518,868	$7,406,373	$8,308,219	$31,160,684	$31,642,033	$33,076,943	$154,933,505	$163,423,055	$164,807,923
Overdrafts	1,607	2,681	8,372	40,717	27,789	39,280	79,982	103,747	50,694
U. S. bonds to secure circulation	400,000	400,000	400,000	2,979,000	2,969,000	2,739,000	10,047,000	9,907,000	8,777,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000	202,000	202,000	202,000	265,000	265,000	265,000
U. S. bonds on hand	.....	.....	.....	80,500	80,500	75,500	105,000	105,000	155,000
Premiums on U. S. bonds	$27,500	27,500	$27,500	357,761	355,587	351,829	926,912	813,576	719,431
Stocks, securities, etc.	705,836	748,133	759,666	2,958,664	2,820,534	2,551,047	7,414,048	7,172,713	7,111,737
Banking house, furniture and fixtures	295,000	295,000	295,000	2,185,521	2,175,080	2,190,080	2,397,939	2,392,786	2,393,798
Other real estate and mortgages owned	27,922	38,022	57,162	153,257	206,231	206,101	440,900	373,900	370,814
Due from National banks (not reserve agents)	1,543,749	1,396,967	1,246,544	2,086,462	1,928,370	2,333,491	14,896,676	12,895,043	16,576,819
Due from State banks and bankers	655,064	1,001,513	441,561	393,070	287,343	408,270	573,010	766,456	794,178
Due from approved reserve agents	4,696,821	3,561,555	2,573,725	2,854,927	3,403,853	4,010,202	27,161,941	32,174,627	27,676,135
Checks and other cash items	111,669	56,151	106,333	66,177	90,153	146,164	317,640	254,933	488,246
Exchanges for clearing-house	88,056	75,394	136,474	1,730,334	1,686,905	2,145,457	11,344,921	10,319,105	11,674,061
Bills of other National banks	65,364	70,783	52,182	227,551	222,398	185,919	1,040,738	1,238,688	994,086
Fractional paper currency, nickels and cents	2,758	2,483	1,732	12,898	14,188	12,399	23,580	27,039	24,494
*Lawful money reserve in bank, viz.:									
Gold coin	487,711	490,800	499,423	1,946,946	1,897,512	1,720,153	7,156,271	7,177,542	7,192,645
Gold Treasury certificates	304,250	334,250	336,250	347,140	357,120	362,790	1,255,750	1,291,290	1,336,430
Gold clearing-house certificates	.....	.....	.....	.....	.....	.....	.....	.....	.....
Silver dollars	18,501	25,483	22,701	55,014	60,373	54,860	76,575	75,843	74,451
Silver Treasury certificates	51,000	49,200	38,000	1,626,527	1,606,424	1,393,330	2,371,149	2,872,307	2,334,669
Silver fractional coin	37,718	24,712	21,912	83,002	74,563	77,720	156,198	162,719	132,021
Legal-tender notes	301,077	399,230	420,103	622,135	618,949	646,775	5,695,503	7,211,387	7,185,894
U. S. certificates of deposit for legal-tenders	.....	.....	.....	1,600,000	1,540,000	880,000	1,410,000	1,870,000	1,830,000
Five per cent. redemption fund with Treas.	18,000	18,000	18,000	134,055	133,605	121,605	438,615	422,095	394,995
Due from U. S. Treasurer	.....	.....	1	2,000	8,005	1,005	200,240	319,261	109,142
Total	$17,468,516	$16,474,273	$15,816,386	$53,915,348	$54,408,503	$55,915,024	$250,680,060	$263,125,168	$263,439,640
LIABILITIES.									
Capital stock paid in	$1,550,000	$1,550,000	$1,550,000	$13,243,280	$13,243,280	$13,243,280	$50,750,000	$50,350,000	$50,350,000
Surplus fund	1,398,000	1,398,000	1,388,000	4,923,000	4,941,625	4,941,625	14,946,578	14,946,578	15,054,578
Undiv. profits, less expenses and taxes paid	175,568	176,715	198,950	1,152,206	1,023,863	1,198,300	4,765,370	5,605,975	4,320,020
National bank notes issued, less am't on hand	351,350	345,530	349,500	2,630,587	2,615,697	2,433,060	8,354,270	8,082,630	7,576,802
State bank notes outstanding	.....	.....	.....	4,606	4,606	4,605	.....	.....	.....
Due to other National banks	3,115,269	2,998,741	3,805,137	5,334,565	6,215,708	6,644,660	35,197,919	38,784,438	42,791,808
Due to State banks and bankers	1,545,423	1,527,701	1,613,387	1,282,256	1,456,617	2,086,758	18,847,417	23,918,649	19,810,545
Dividends unpaid	2,131	1,016	615	$74,281	116,160	84,998	50,677	37,803	221,474
Individual deposits	9,259,133	8,398,529	6,808,168	24,949,148	24,208,673	24,734,818	115,954,068	120,065,759	120,994,342
U. S. deposits	46,214	42,463	42,482	210,435	242,300	210,439	118,593	116,500	113,022
Deposits of U. S. disbursing officers	3,785	7,536	7,517	.....	.....	.....	72,727	54,175	75,460
Notes and bills rediscounted	21,738	21,738	21,738	.....	.....	.....	427,667	.....	.....
Bills payable	.....	.....	.....	102,000	340,000	325,000	1,068,035	1,098,757	1,797,334
Liabilities other than those above stated	.....	8,300	29,800	.....	.....	7,500	106,730	113,809	394,165
Total	$17,468,516	$16,474,273	$15,816,386	$53,915,348	$54,408,503	$55,915,024	$250,680,060	$263,125,168	$263,439,640
Average reserve held	50.91 p. c.	47.01 p. c.	37.78 p. c.	33.83 p. c.	34.47 p. c.	32.13 p. c.	32.07 p. c.	33.76 p. c.	31.31 p. c.
*Total lawful money reserve	$1,200,257	$1,323,675	$1,338,389	$7,290,764	$6,154,942	$5,068,637	$18,061,446	$20,661,088	$20,136,110

RESOURCES.	BROOKLYN, N. Y. May 14, 1897.	BROOKLYN, N. Y. July 23, 1897.	BROOKLYN, N. Y. Oct. 5, 1897.	CHICAGO, ILL. May 14, 1897.	CHICAGO, ILL. July 23, 1897.	CHICAGO, ILL. Oct. 5, 1897.	CINCINNATI, OHIO. May 14, 1897.	CINCINNATI, OHIO. July 23, 1897.	CINCINNATI, OHIO. Oct. 5, 1897.
Loans and discounts	$11,802,675	$11,239,945	$12,357,365	$81,165,934	$82,177,379	$86,833,905	$22,842,814	$22,007,907	$23,778,025
Overdrafts	1,376	950	1,520	308,984	468,242	348,259	9,713	14,909	13,460
U. S. bonds to secure circulation	642,000	642,000	642,000	1,150,000	1,100,000	1,350,000	4,844,500	5,102,000	5,436,000
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000	550,000	550,000	550,000	1,200,000	1,200,000	1,200,000
U. S. bonds on hand	105,000	105,000	5,000	792,350	895,350	634,000	842,000	981,950	1,150,970
Premiums on U. S. bonds	63,750	50,375	37,000	100,678	95,322	85,956	706,636	827,617	898,946
Stocks, securities, etc.	2,236,755	2,108,515	2,549,251	6,576,183	7,022,778	6,585,174	4,023,185	3,919,643	3,910,530
Banking house, furniture and fixtures	600,854	600,454	600,958	821,853	825,939	825,939	479,340	476,040	476,040
Other real estate and mortgages owned	92,500	92,500	92,500	663,317	638,684	749,256	151,518	191,927	191,883
Due from National banks (not reserve agents)	167,809	170,714	263,388	21,227,774	21,195,817	25,810,469	3,170,622	2,983,322	3,002,554
Due from State banks and bankers	144,078	179,474	198,735	4,694,174	4,857,304	5,822,053	594,953	522,021	688,582
Due from approved reserve agents	2,523,063	3,223,455	2,644,785	.....	.....	.....	4,027,897	5,143,961	4,895,022
Checks and other cash items	106,897	112,267	117,940	52,936	154,764	104,315	124,396	127,605	135,896
Exchanges for clearing-house	880,236	722,158	1,155,554	3,804,565	4,713,249	5,970,871	264,800	375,301	197,052
Bills of other National Banks	157,888	178,672	159,271	1,939,405	2,268,266	2,267,600	422,954	399,040	315,221
Fractional paper currency, nickels and cents	6,682	6,749	3,996	15,644	19,874	15,564	3,427	2,808	3,425
*Lawful money reserve in bank, viz.:									
Gold coin	$786,350	725,549	$541,325	13,450,080	14,372,808	14,354,240	980,543	1,013,317	1,086,370
Gold Treasury certificates	185,000	185,000	180,000	2,535,000	2,302,000	2,824,430	299,390	300,550	310,880
Gold clearing-house certificates	.....	.....	.....	.....	.....	.....	.....	.....	.....
Silver dollars	20,000	21,439	18,000	153,890	167,237	182,103	73,332	69,602	54,734
Silver Treasury certificates	631,895	743,183	327,310	4,366,270	3,935,908	4,192,306	617,369	631,736	453,661
Silver fractional coin	50,191	72,691	44,283	204,285	198,123	177,308	27,516	31,484	25,456
Legal-tender notes	1,181,717	1,253,324	880,854	18,618,766	14,835,502	13,518,145	2,563,524	2,675,043	1,938,053
U. S. certificates of deposit for legal-tenders	.....	.....	.....	3,380,000	3,320,000	2,810,000	700,000	750,000	720,000
Five per cent. redemption fund with Treas.	28,800	28,800	28,800	49,500	47,750	85,500	218,002	224,562	241,900
Due from U. S. Treasurer	5,000	.....	.....	95,982	64,370	127,259	1,000	.....	6,950
Total	$22,641,213	$22,664,311	$22,989,632	$166,797,807	$165,766,566	$176,186,456	$49,849,306	$49,973,511	$51,089,910
LIABILITIES.									
Capital stock paid in	$1,352,000	$1,352,000	$1,352,000	$20,400,000	$19,700,000	$19,700,000	$8,000,000	$7,800,000	$7,800,000
Surplus fund	2,600,000	2,270,000	2,270,000	8,419,101	8,264,900	8,264,900	2,680,000	2,740,000	2,740,000
Undiv. profits, less expenses and taxes paid	172,232	353,638	395,701	1,914,290	1,818,290	2,060,271	917,274	966,332	1,143,351
National bank notes issued, less am't on hand	571,900	577,800	573,090	695,855	695,065	616,395	4,324,400	4,518,300	4,820,450
State bank notes outstanding	1,846	1,846	1,846	.....	.....	.....	.....	.....	.....
Due to other National banks	257,052	279,870	412,228	42,080,974	43,189,944	47,535,222	7,283,369	8,241,780	9,062,898
Due to State banks and bankers	256,335	302,910	346,544	23,808,963	24,490,653	26,802,410	3,568,519	3,890,464	4,420,622
Dividends unpaid	453	10,769	7,853	3,701	12,816	23,578	31,191	4,110	6,726
Individual deposits	17,215,987	17,227,225	17,298,868	68,658,101	67,159,561	70,662,162	21,090,368	19,779,311	19,244,420
U. S. deposits	154,786	163,329	163,158	489,512	480,402	510,847	1,180,766	1,336,211	1,171,941
Deposits of U. S. disbursing officers	43,440	35,966	34,457	53,762	60,084	21,208	.....	.....	.....
Notes and bills rediscounted	.....	.....	.....	.....	.....	.....	.....	.....	.....
Bills payable	.....	.....	.....	267,645	.....	.....	.....	.....	.....
Liabilities other than those above stated	15,178	28,964	38,964	5,900	8,900	13,400	748,416	739,500	739,500
Total	$22,641,213	$22,664,311	$22,989,632	$166,797,807	$165,766,566	$176,186,456	$49,849,306	$49,973,511	$51,089,910
Average reserve held	32.66 p. c.	37.19 p. c.	28.04 p. c.	41.36 p. c.	38.11 p. c.	36.06 p. c.	38.10 p. c.	37.51 p. c.	32.71 p. c.
*Total lawful money reserve	$3,355,158	$3,001,187	$1,991,772	$42,688,541	$39,131,573	$38,058,532	$5,261,674	$5,471,732	$4,589,356

RESOURCES.	CLEVELAND, OHIO.			DES MOINES, IOWA.			DETROIT, MICH.		
	May 14, 1897.	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*
Loans and discounts	$27,071,768	$27,345,399	$28,471,475	$2,356,942	$2,355,288	$2,651,371	$14,016,726	$13,906,282	$14,398,492
Overdrafts	28,029	46,363	34,244	17,892	19,081	16,348	3,066	5,964	16,661
U. S. bonds to secure circulation	1,450,000	1,550,000	1,550,000	292,200	292,200	292,200	1,150,000	1,150,000	1,150,000
U. S. bonds to secure U. S. deposits	60,000	60,000	60,000	.....	.....	.....	300,000	300,000	300,000
U. S. bonds on hand	.....	.....	.....	.....	.....	.....	300,000	300,000	400,000
Premiums on U. S. bonds	51,300	51,300	51,300	13,000	13,000	13,000	186,000	184,250	208,250
Stocks, securities, etc.	1,033,382	896,491	787,901	236,910	240,259	255,547	41,265	51,643	113,902
Banking house, furniture and fixtures	507,500	507,500	507,500	143,541	143,541	143,541	$31,788	31,288	30,788
Other real estate and mortgages owned	264,308	219,254	215,487	95,365	98,791	99,461	230,425	225,755	260,504
Due from National banks (not reserve agents)	1,788,618	2,281,521	2,824,342	182,552	232,356	223,485	1,235,748	1,079,569	1,798,869
Due from State banks and bankers	721,801	679,631	798,417	31,520	47,873	54,323	373,583	364,797	450,330
Due from approved reserve agents	3,246,501	5,815,687	4,926,644	580,182	653,547	719,405	3,161,232	3,479,998	3,989,412
Checks and other cash items	83,435	80,928	109,924	6,141	27,628	18,582	11,745	15,804	28,023
Exchanges for clearing-house	193,264	157,571	289,494	70,966	49,784	70,880	222,478	277,218	260,101
Bills of other National banks	157,764	152,470	147,132	57,293	27,414	50,522	188,170	196,487	166,929
Fractional paper currency, nickels and cents	3,738	4,332	4,344	1,226	1,025	1,419	9,619	10,796	10,886
*Lawful money reserve in bank, viz.:									
Gold coin	1,471,705	1,517,557	1,468,110	105,822	189,882	138,115	1,244,172	1,287,570	1,346,667
Gold Treasury certificates	230,780	241,000	248,000	2,800	3,220	3,480	13,230	13,720	14,160
Gold clearing-house certificates	.....	.....	.....	.....	.....	.....	.....	.....	.....
Silver dollars	62,523	63,806	75,802	20,094	14,065	17,947	27,076	51,218	69,266
Silver Treasury certificates	123,305	120,595	116,025	18,362	17,713	23,179	161,440	194,180	135,802
Silver fractional coin	31,248	34,140	27,250	18,482	6,210	6,566	41,296	41,199	51,706
Legal-tender notes	1,162,475	1,041,798	1,076,290	312,199	239,291	225,028	650,503	850,328	632,479
U. S. certificates of deposit for legal-tenders	.....	.....	.....	.....	.....	.....	.....	.....	.....
Five per cent. redemption fund with Treas.	65,250	60,750	68,390	13,094	13,094	13,094	51,660	51,660	50,641
Due from U. S. Treasurer	10,550	12,000	14,700	1,023	23	.....	5,246	8,986	5,824
Total	$39,828,244	$42,949,123	$43,872,865	$4,577,614	$4,685,293	$5,037,479	$23,556,477	$24,165,650	$25,898,678
LIABILITIES.									
Capital stock paid in	$9,550,000	$9,550,000	$9,550,000	$800,000	$800,000	$800,000	$3,300,000	$3,300,000	$3,300,000
Surplus fund	2,085,000	2,085,000	2,085,000	221,000	221,000	221,000	605,000	605,000	605,000
Undiv. profits, less expenses and taxes paid	544,716	619,922	740,876	57,621	47,863	47,700	341,611	264,238	256,839
National bank notes issued, less am't on hand	1,234,240	1,328,810	1,332,810	248,027	243,287	259,137	909,890	899,980	989,790
Due to other National banks	2,979,482	3,562,944	4,248,531	724,910	638,499	658,370	2,826,671	3,331,337	3,791,338
Due to State banks and bankers	2,135,051	2,615,411	2,893,053	1,006,666	1,288,730	1,465,214	5,023,615	5,563,118	5,733,986
Dividends unpaid	10,329	1,427	1,217	3,294	3,980	3,585	220	3,764	6,972
Individual deposits	19,719,822	21,842,949	21,688,266	1,501,093	1,441,932	1,582,470	10,245,406	9,899,581	10,916,819
U. S. deposits	51,517	50,293	42,822	.....	.....	.....	265,422	234,418	242,881
Deposits of U. S. disbursing officers	11,370	11,205	14,787	.....	.....	.....	38,639	64,189	55,050
Notes and bills rediscounted	.....	.....	.....	.....	.....	.....	.....	.....	.....
Bills payable	750,000	425,000	425,000	15,000	.....	.....	.....	.....	.....
Liabilities other than those above stated	756,718	856,157	855,000	.....	.....	.....	.....	.....	.....
Total	$39,828,244	$42,949,123	$43,872,865	$4,577,614	$4,685,293	$5,037,479	$23,556,477	$24,165,650	$25,898,678
Average reserve held	29.04 p. c.	35.89 p. c.	32.25 p. c.	37.01 p. c.	37.70 p. c.	34.64 p. c.	32.06 p. c.	34.75 p. c.	34.88 p. c.
* Total lawful money reserve	$3,091,096	$3,018,923	$3,011,576	$477,759	$470,381	$414,315	$2,137,718	$2,438,155	$2,250,080

RESOURCES.	HOUSTON, TEXAS.			KANSAS CITY, MO.			LINCOLN, NEB.		
	May 14, 1897.	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*
Loans and discounts	$1,792,168	$1,980,595	$2,029,754	$13,880,159	$12,854,369	$15,006,761	$1,501,982	$1,620,421	$1,796,169
Overdrafts	28,328	38,145	179,804	67,172	131,836	187,143	16,688	9,801	6,982
U. S. bonds to secure circulation	200,000	200,000	200,000	350,000	250,000	250,000	150,000	150,000	150,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000	100,000	100,000	100,000	.....	.....	.....
U. S. bonds on hand	.....	.....	.....	350,000	200,000	261,000	.....	.....	.....
Premiums on U. S. bonds	21,333	21,033	20,733	96,750	71,900	72,290	5,500	5,500	5,500
Stocks, securities, etc.	51,662	43,724	39,220	961,116	680,477	700,495	84,833	68,811	50,064
Banking house, furniture and fixtures	132,920	132,851	132,983	86,343	81,375	77,375	8,994	9,037	9,037
Other real estate and mortgages owned	115,295	115,295	115,250	480,346	287,623	263,442	71,175	80,909	89,750
Due from National banks (not reserve agents)	571,525	167,133	250,967	668,908	1,619,453	1,603,312	83,982	149,536	82,925
Due from State banks and bankers	15,507	49,462	11,149	1,179,573	790,568	1,900,846	52,788	41,240	39,345
Due from approved reserve agents	523,006	252,156	679,848	3,973,926	4,476,409	6,213,533	219,681	175,174	264,030
Checks and other cash items	4,094	1,514	6,857	109,587	49,874	33,082	41,561	‡5,529	12,580
Exchanges for clearing-house	35,062	4,436	22,220	631,085	354,670	620,900	9,354	7,400	25,589
Bills of other National banks	44,665	106,595	92,683	226,329	198,040	391,134	3,100	2,500	10,300
Fractional paper currency, nickels and cents	5,120	4,016	1,557	4,288	3,856	4,761	710	1,337	682
*Lawful money reserve in bank, viz.:									
Gold coin	290,934	328,901	340,291	924,000	1,101,012	495,147	105,795	97,067	159,270
Gold Treasury certificates	129,450	134,220	135,960	32,260	22,120	21,120	.....	500	.....
Gold clearing-house certificates	.....	.....	.....	.....	.....	.....	.....	.....	.....
Silver dollars	72,132	56,817	24,354	85,415	85,979	71,720	18,116	16,262	13,923
Silver Treasury certificates	116,140	149,155	238,240	406,648	527,445	872,162	1,812	2,521	4,577
Silver fractional coin	16,627	13,763	12,977	23,926	24,919	27,668	6,276	10,273	9,027
Legal-tender notes	688,980	784,225	1,215,564	906,013	880,200	1,300,000	139,376	45,954	52,671
U. S. certificates of deposit for legal-tenders	.....	.....	.....	.....	.....	.....	.....	.....	.....
Five per cent. redemption fund with Treas.	9,000	9,000	9,000	15,750	11,250	11,250	6,750	6,750	6,750
Due from U. S. Treasurer	.....	.....	.....	14,300	.....	.....	.....	.....	.....
Total	$4,908,764	$4,643,022	$5,804,296	$25,663,845	$24,872,880	$30,515,127	$2,528,439	$2,536,527	$2,789,175
LIABILITIES.									
Capital stock paid in	$1,150,000	$1,150,000	$1,150,000	$3,300,000	$2,300,000	$2,300,000	$850,000	$850,000	$800,000
Surplus fund	546,800	558,800	557,200	525,000	477,000	480,000	35,000	35,000	35,000
Undiv. profits, less expenses and taxes paid	110,594	76,502	89,836	230,059	169,714	215,508	22,827	22,398	17,013
National bank notes issued, less am't on hand	135,190	141,800	139,690	315,000	225,000	225,000	133,650	135,000	135,000
Due to other National banks	396,714	289,602	663,895	5,199,585	5,317,248	7,052,733	91,843	125,581	175,126
Due to State banks and bankers	234,247	97,437	321,556	5,737,941	5,864,089	8,756,219	149,357	151,612	266,123
Dividends unpaid	3,813	4,726	4,168	1,607	23,837	2,258	.....	.....	.....
Individual deposits	2,278,369	2,269,887	2,772,022	9,729,917	10,287,751	11,308,177	1,245,761	1,216,936	1,360,852
U. S. deposits	$50,000	50,000	50,000	77,192	65,782	62,222	.....	.....	.....
Deposits of U. S. disbursing officers	.....	.....	.....	22,544	42,457	53,007	.....	.....	.....
Notes and bills rediscounted	.....	.....	95,100	.....	.....	.....	.....	.....	.....
Bills payable	.....	.....	.....	525,000	.....	.....	.....	.....	.....
Liabilities other than those above stated	3,000	4,206	727	.....	.....	.....	.....	.....	.....
Total	$4,908,764	$4,643,022	$5,804,296	$25,663,845	$24,872,880	$30,515,127	$2,528,439	$2,536,527	$2,789,175
Average reserve held	80.26 p. c.	72.49 p. c.	78.10 p. c.	35.75 p. c.	38.05 p. c.	39.57 p. c.	37.21 p. c.	27.41 p. c.	31.04 p. c.
* Total lawful money reserve	$1,314,263	$1,467,081	$1,963,386	$2,468,262	$2,641,675	$2,787,818	$271,375	$172,578	$239,468

Resources.	LOUISVILLE, KY.			MILWAUKEE, WIS.			MINNEAPOLIS, MINN.		
	May 14, 1897.	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*
Loans and discounts	$7,227,760	$7,059,853	$7,444,660	$14,308,492	$15,306,573	$15,522,444	$9,405,274	$9,270,769	$9,320,950
Overdrafts	9,533	7,469	7,737	106,086	139,807	145,918	11,604	10,118	9,453
U. S. bonds to secure circulation	1,575,000	1,575,000	1,575,000	720,000	720,000	720,000	300,000	300,000	300,000
U. S. bonds to secure U. S. deposits	500,000	500,000	500,000	390,000	390,000	390,000	50,000	50,000	50,000
U. S. bonds on hand	200,000	100,000	200,000	10,550	7,750	7,250	.....	.....	.....
Premiums on U. S. bonds	244,300	224,812	227,125	120,859	134,484	134,484	24,125	24,125	23,812
Stocks, securities, etc	517,106	523,493	476,289	837,696	938,413	992,375	349,310	602,900	526,388
Banking house, furniture and fixtures	188,400	188,400	188,400	126,763	126,263	126,263	105,950	105,950	105,950
Other real estate and mortgages owned	3,668	4,468	3,268	62,030	64,900	67,489	70,000	73,761	71,657
Due from National banks (not reserve agents)	668,974	639,463	742,410	1,907,497	1,998,645	2,386,427	912,904	825,458	1,360,422
Due from State banks and bankers	236,849	157,915	187,579	757,991	767,026	994,825	563,432	641,426	1,111,907
Due from approved reserve agents	1,426,052	1,905,733	2,167,848	4,808,674	4,257,291	7,006,590	1,931,033	2,277,718	2,531,664
Checks and other cash items	11,594	9,687	44,168	4,447	4,137	3,695	32,974	15,413	25,799
Exchanges for clearing-house	156,502	33,724	31,514	411,657	268,249	647,307	414,462	511,291	800,208
Bills of other National banks	73,984	78,501	62,475	62,243	79,692	83,062	85,286	171,179	219,482
Fractional paper currency, nickels and cents	3,310	3,835	7,185	3,336	5,088	4,172	4,668	3,888	4,240
*Lawful money reserve in bank, viz.:									
Gold coin	713,355	720,044	588,367	1,691,726	1,754,664	1,838,175	835,855	1,016,955	842,312
Gold Treasury certificates	5,000	5,000	5,000	30,000	.....	.....	3,500	4,500	8,500
Gold clearing-house certificates	.....	.....	.....	.....	.....	.....	.....	.....	.....
Silver dollars	31,809	21,516	22,055	20,290	32,022	20,468	37,402	40,129	29,036
Silver Treasury certificates	.....	.....	.....	114,732	294,872	140,670	45,500	55,000	50,000
Silver fractional coin	21,610	11,076	10,281	25,460	28,687	16,382	28,518	34,459	28,649
Legal-tender notes	635,901	604,594	558,721	1,115,761	1,168,139	1,313,917	402,917	581,952	1,098,740
U. S. certificates of deposit for legal-tenders	.....	.....	.....	.....	.....	.....	.....	.....	.....
Five per cent. redemption fund with Treas.	70,695	70,695	70,695	32,400	32,400	32,400	12,900	12,750	13,500
Due from U. S. Treasurer	16,800	.....	3,000	10,400	4,900	4,000	1,500	4,000	100,000
Total	$14,588,267	$14,505,883	$15,123,782	$27,679,094	$28,524,007	$32,598,314	$15,629,617	$16,623,746	$18,627,673
Liabilities.									
Capital stock paid in	$3,350,000	$3,000,000	$3,000,000	$3,250,000	$3,250,000	$3,250,000	$4,500,000	$4,500,000	$4,500,000
Surplus fund	651,500	651,000	651,000	531,000	575,000	575,000	476,000	491,000	491,000
Undiv. profits, less expenses and taxes paid	212,554	158,975	216,024	300,704	194,447	275,584	350,013	308,765	375,769
National bank notes issued, less am't on hand	1,412,200	1,413,150	1,413,320	643,300	631,990	622,380	222,550	210,630	206,347
Due to other National banks	2,451,532	2,580,202	2,640,509	2,486,700	3,053,840	3,185,823	1,868,486	2,163,241	2,840,256
Due to State banks and bankers	1,708,842	2,017,323	2,335,764	1,483,920	1,650,499	1,768,828	1,331,110	1,423,984	1,835,942
Dividends unpaid	5,279	7,558	3,703	125	1,207	250	1,170	1,433	13,784
Individual deposits	4,147,281	4,173,842	4,366,158	18,502,641	18,773,378	22,534,159	6,808,735	7,453,606	8,305,070
U. S. deposits	366,800	194,602	119,551	291,690	273,912	236,987	41,447	42,665	38,040
Deposits of U. S. disbursing officers	133,021	302,312	366,502	98,921	119,641	118,293	7,054	6,281	14,463
Notes and bills rediscounted	.....	.....	.....	.....	.....	.....	.....	.....	.....
Bills payable	.....	.....	.....	.....	.....	.....	.....	.....	.....
Liabilities other than those above stated	8,286	7,124	11,180	.....	.....	.....	25,000	22,000	7,000
Total	$14,588,267	$14,505,883	$15,123,782	$27,679,094	$28,524,007	$32,598,314	$15,629,617	$16,623,746	$18,627,673
Average reserve held	37.40 p. c.	40.63 p. c.	38.86 p. c.	39.56 p. c.	36.46 p. c.	43.63 p. c.	40.81 p. c.	45.00 p. c.	48.11 p. c.
* Total lawful money reserve	$1,407,735	$1,362,830	$1,184,425	$2,907,969	$3,278,384	$3,329,607	$1,353,692	$1,732,995	$2,052,237

	NEW ORLEANS LA.			OMAHA, NEB.			PHILADELPHIA, PA.		
RESOURCES.	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*
Loans and discounts	$10,213,735	$10,423,575	$11,630,881	$7,846,174	$8,216,309	$9,147,514	$93,570,784	$96,045,461	$102,577,519
Overdrafts	406,954	360,783	463,275	96,638	113,139	130,542	3,532	21,458	14,024
U. S. bonds to secure circulation	872,000	872,000	872,000	600,000	600,000	600,000	8,232,500	8,212,500	8,212,500
U. S. bonds to secure U. S. deposits	.....	.....	.....	500,000	400,000	450,000	200,000	300,000	300,000
U. S. bonds on hand	1,200	25,000	300	12,000	113,000	13,000	1,300,000	1,300,000	50,000
Premiums on U. S. bonds	41,000	39,154	39,000	96,221	96,326	92,826	868,701	819,756	747,180
Stocks, securities, etc.	2,555,291	2,188,558	2,214,133	677,764	552,657	612,722	9,842,922	9,654,842	9,982,710
Banking house, furniture and fixture	621,247	620,747	623,943	332,089	332,384	332,384	4,353,660	4,353,656	4,353,656
Other real estate and mortgages owned	99,232	99,320	99,320	$517,031	556,213	509,306	553,841	661,235	676,294
Due from National banks (not reserve agents)	435,488	471,996	348,672	598,396	606,518	960,041	8,516,322	7,026,322	7,227,780
Due from State banks and bankers	432,712	382,201	408,588	482,350	428,554	628,834	1,654,426	1,332,215	1,373,808
Due from approved reserve agents	2,729,360	1,444,309	985,842	1,678,694	2,427,347	3,934,710	15,917,215	15,239,483	15,627,737
Checks and other cash items	9,753	13,371	13,614	99,635	126,310	96,076	1,034,903	945,032	1,176,457
Exchanges for clearing-house	923,901	642,289	724,475	495,885	460,991	617,906	7,900,562	6,854,032	10,762,893
Bills of other National banks	47,526	64,739	51,196	110,290	136,899	200,858	3-3,226	440,153	441,136
Fractional paper currency, nickels and cents	11,417	15,743	11,800	2,977	2,692	4,501	52,573	59,289	66,660
*Lawful money reserve in bank, viz.:									
Gold coin	782,579	723,017	745,283	1,613,457	1,529,387	856,057	1,455,945	1,739,630	1,658,448
Gold Treasury certificates	126,600	177,970	141,180	30,270	29,960	30,520	162,190	160,890	214,140
Gold clearing-house certificates	.....	.....	.....	.....	.....	.....	5,900,000	6,215,000	6,445,000
Silver dollars	84,190	74,553	48,759	106,279	119,728	98,152	193,272	245,977	210,420
Silver Treasury certificates	466,504	1,042,214	395,671	117,523	135,060	155,998	3,670,507	4,076,105	3,549,150
Silver fractional coin	59,016	75,566	74,088	55,572	49,745	48,068	243,774	319,993	350,880
Legal-tender notes	1,417,142	1,442,400	1,530,588	249,093	396,669	972,944	2,718,444	2,500,224	2,328,719
U. S. certificate of deposit for legal-tenders	295,000	295,000	220,000	.....	.....	.....	8,695,000	6,620,000	7,460,000
Five per cent. redemption fund with Treas.	39,240	39,240	39,240	27,000	27,000	27,000	389,399	367,875	368,923
Due from U. S. Treasurer	10,000	.....	.....	2,100	.....	600	93,978	59,378	62,718
Total	$22,651,153	$21,511,282	$21,696,855	$16,847,425	$17,946,924	$20,450,565	$177,829,512	$175,470,144	$188,138,713
LIABILITIES.									
Capital stock paid in	$2,300,000	$2,300,000	$2,300,000	$3,750,000	$3,750,000	$3,750,000	$21,915,000	$21,915,000	$21,915,000
Surplus fund	2,285,000	2,310,000	2,310,000	325,500	325,500	325,500	14,683,000	14,683,000	14,683,000
Undiv. profits less expenses and taxes paid	409,071	293,310	339,109	70,116	49,655	120,767	2,558,409	2,619,699	3,087,775
National bank notes issued, less am't on hand	767,145	770,595	758,045	539,995	539,995	531,605	7,051,192	7,142,852	7,184,875
Due to other National banks	1,274,635	864,926	899,138	2,349,113	2,878,662	3,722,009	22,732,660	23,222,607	26,997,806
Due to State banks and bankers	1,232,629	1,042,376	1,102,103	2,159,698	2,604,577	3,623,956	6,892,150	7,465,814	7,969,782
Dividends unpaid	8,400	27,177	13,379	373	373	373	137,078	68,832	46,434
Individual deposits	14,374,271	13,815,674	13,380,301	7,109,456	7,281,756	7,864,990	101,407,580	97,765,654	103,701,935
U. S. deposits	.....	.....	.....	203,601	272,318	201,951	$202,460	311,671	302,015
Deposits of U. S. disbursing officers	.....	.....	.....	204,570	159,086	229,412	.....	.....	.....
Notes and bills rediscounted	.....	87,222	194,777	.....	.....	.....	.....	.....	.....
Bills payable	.....	.....	400,000	.....	85,000	80,000	270,000	275,000	250,000
Liabilities other than those above stated	.....	.....	.....	135,000	.....	.....	.....	11	.....
Total	$22,651,153	$21,511,282	$21,696,855	$16,847,425	$17,946,924	$20,450,565	$177,829,512	$175,470,144	$186,138,713
Average reserve held	30.66 p. c.	37.45 p. c.	30.23 p. c.	37.50 p. c.	40.69 p. c.	41.96 p. c.	34.75 p. c.	33.12 p. c.	32.05 p. c.
* Total lawful money reserve	$3,301,031	$3,330,750	$3,165,569	$3,172,194	$2,250,580	$2,161,739	$22,949,132	$21,877,450	$22,216,757

RESOURCES.	PITTSBURG, PA.			ST. JOSEPH, MO.			ST. LOUIS, MO.		
	May 14, 1897.	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*
∞ Loans and discounts	$43,951,772	$44,625,805	$45,599,629	$1,874,221	$1,795,406	$1,906,847	$28,100,360	$29,495,243	$32,060,316
Overdrafts	36,516	27,048	51,398	10,340	10,602	3,584	18,296	33,166	42,915
U. S. bonds to secure circulation	5,285,250	5,339,250	5,339,250	150,000	150,000	150 000	1,727,000	1,977,000	2,077,000
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000	50,000	50,000	50.000	500,000	500,000	540,000
U. S. bonds on hand	216,600	220,950	421,600	700	700	700	100,000	100,000	75,000
Premiums on U. S. bonds	500,287	541,393	562,312	70	20	.....	175,281	210,531	193,218
Stocks, securities, etc	2,962,775	3,419,898	3,373,784	12,300	12,300	12,300	1,441,588	1,352,196	1,308,357
Banking house, furniture and fixtures	3,375,338	3,448,446	3,456,608	72,000	72,000	72,000	933,374	933,374	933,374
Other real estate and mortgages owned	529,820	506,500	545,151	.....	.....	.....	171,035	165,254	165,308
Due from National banks (not reserve agents)	1,876,534	2,409,442	2,383,621	334,564	282,981	238,750	6,020,540	5,632,249	8,222,574
Due from State banks and bankers	232,972	291,466	304,717	59,660	89,742	113,021	1,498,530	1,324,023	1,324,910
Due from approved reserve agents	4,349,921	7,389,722	6,626,725	522,027	539,147	518,342	.....	.....	.....
Checks and other cash items	250,806	314,599	302,207	25,900	25,050	62,535	67,885	54,119	91,421
Exchanges for clearing-house	1,610,659	2,365,771	2,501,802	49,516	56,121	83,222	2,176,962	1,039,399	1,430,556
Bills of other National banks	328,474	395,613	383,842	10,965	9,735	6,935	340,764	312,127	310,547
Fractional paper currency, nickels and cents	18,200	19,176	23,700	301	309	455	2,450	1,486	1,643
*Lawful money reserve in bank, viz.:									
Gold coin	3,262,758	3,294,807	3,379,140	$98,777	92,371	87,837	2,127,420	1,728,877	1,354,372
Gold Treasury certificates	390,000	398,450	404,750	7,380	9,460	7,480	184,800	241,590	236,770
Gold clearing-house certificates	.....	.....	.....	.....	.....	.....	.....	.....	.....
Silver dollars	215,626	183,507	201,489	21,657	11,344	9,869	40,784	22,783	23,916
Silver Treasury certificates	775,755	1,072,083	954,801	76,079	82,071	100,032	1,068,409	1,001,896	706,200
Silver fractional coin	159,626	145,814	148,800	3,741	3,879	5,745	20,773	14,559	20,642
Legal-tender notes	2,018,914	2,707,484	2,164,795	175,422	168,572	146,827	3,806,633	2,640,229	4,136,688
U. S. certificates of deposit for legal-tenders	.....	.....	.....	.....	.....	.....	1,490,000	2,470,000	1,600,000
Five per cent. redemption fund with Treas	237,511	239,501	237,721	6,705	6,705	6,705	77,667	88,917	93,417
Due from U. S. Treasurer	6,000	16,244	11,002	.....	2,100	900	5,500	10,500	4,000
Total	$72,872,711	$79,572,924	$79,638,921	$3,559,420	$3,500,832	$3,884,692	$52,037,076	$51,340,025	$57,454,641
LIABILITIES.									
Capital stock paid in	$12,300,000	$12,300,000	$12,300,000	$350,000	$350,000	$350,000	$8,400,000	$8,400,000	$8,400,000
Surplus fund	9,653,268	9,670,200	9,670,200	103,434	103,434	103,434	1,700,000	1,700,000	1,700,000
Undiv. profits, less expenses and taxes paid	1,740,141	1,693,016	1,912,278	30,980	25,187	43,748	670,262	632,500	685,455
National bank notes issued, less am't on hand	4,712,422	4,718,902	4,727,372	124,100	124,100	124,100	1,419,790	1,658,940	1,852,200
Due to other National banks	5,197,290	6,906,112	8,120,828	404,947	355,191	429,773	11,498,619	11,262,059	14,029,908
Due to State banks and bankers	1,822,849	2,209,037	2,440,857	603,875	677,934	836,988	7,971,781	7,749,332	8,546,779
Dividends unpaid	93,496	90,794	66,172	125	125	94	6,475	1,966	1,593
Individual deposits	37,144,005	41,715,423	40,398,988	1,883,234	1,805,272	1,934,953	19,853,963	19,262,624	21,676,339
U. S. deposits	139,954	122,576	98,956	48,970	48,702	49,457	519,954	554,901	548,480
Deposits of U. S. disbursing officers	65,092	79,169	.....	584	775	93	.....	.....	.....
Notes and bills rediscounted	.....	15,393	108,566	.....	.....	.....	.....	.....	.....
Bills payable	.....	.....	.....	.....	.....	.....	.....	.....	.....
Liabilities other than those above stated	5,100	2,600	.....	.....	.....	.....	8,200	21,700	.....
Total	$72,872,711	$79,572,924	$79,638,921	$3,559,420	$3,500,832	$3,884,692	$52,037,076	$51,340,025	$57,454,641
Average reserve held	28.30 p. c.	33.75 p. c.	31.44 p. c.	36.62 p. c.	39.02 p. c.	42.12 p. c.	29.38 p. c.	26.81 p. c.	24.75 p. c.
*Total lawful money reserve	$6,822,969	$7,302,145	$7,253,776	$383,056	$367,699	$358,291	$8,678,869	$8,119,935	$8,078,679

RESOURCES.	ST. PAUL, MINN.			SAN FRANCISCO, CAL.			SAVANNAH, GA.		
	May 14, 1897.	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5. 1897.*
Loans and discounts	$8,487,349	$8,529,510	$8,803,064	$7,458,969	$7,408,660	$8,183,555	$1,267,268	$1,143,765	$1,174,800
Overdrafts	4,565	2,052	3,028	83,657	248,288	207,719	770	314	237
U. S. bonds to secure circulation	252,000	252,000	252,000	150,000	150,000	150,000	102,000	102,000	102,000
U. S. bonds to secure U. S. deposits	475,000	475,000	475,000	100,000	150,000	150,000	90,000	90,000	90,000
U. S. bonds on hand	.....	.....	.....	.....	.....	.....	.....	.....	.....
Premiums on U. S. bonds	.....	.....	.....	12,660	23,597	23,597	10,900	10,900	10,650
Stocks, securities, etc	1,172,751	1,444,719	1,481,185	744,300	763,721	664,279	53,908	44,458	41,974
Banking house, furniture and fixtures	702,718	702,718	702,718	345,221	345,221	345,586	67,239	67,239	67,239
Other real estate and mortgages owned	75,138	75,836	74,138	90,033	90,135	87,230	16,801	15,334	15,860
Due from National banks (not reserve agents)	725,374	815,234	842,136	126,826	201,183	270,428	51,601	61,634	66,824
Due from State banks and bankers	211,248	195,430	409,131	338,519	192,202	290,307	52,157	42,779	47,908
Due from approved reserve agents	3,593,182	3,855,179	4,123,972	229,755	385,063	240,291	37,040	93,704	131,817
Checks and other cash items	80,493	77,417	109,371	8,290	8,290	8,290	499	609	364
Exchanges for clearing-house	196,867	256,017	361,971	136,984	93,415	133,465	33,016	17,585	8,628
Bills of other National banks	102,664	155,369	164,089	2,450	4,625	2,000	25,000	27,000	59,422
Fractional paper currency, nickels and cents	3,697	2,882	2,810	657	806	72	719	1,337	1,585
*Lawful money reserve in bank, viz.:									
Gold coin	2,151,686	2,013,936	1,996,843	1,559,157	1,605,550	2,601,667	32,500	30,000	29,000
Gold Treasury certificates	10,820	10,800	.....	.....	.....	.....	2,000	2,000	2,000
Gold clearing-house certificates	.....	.....	.....	.....	.....	.....	.....	.....	.....
Silver dollars	117,050	94,270	112,500	21,200	13,040	9,120	3,000	16,000	8,000
Silver Treasury certificates	93,205	183,434	395,588	6,258	9,431	3,200	39,322	43,046	75,000
Silver fractional coin	47,147	38,778	40,326	34,715	25,361	37,100	13,000	10,200	4,500
Legal-tender notes	247,321	346,854	634,897	2,000	2,080	2,000	50,000	40,000	71,000
U. S. certificates of deposit for legal-tenders	.....	.....	.....	.....	.....	.....	.....	.....	.....
Five per cent. redemption fund with Treas.	11,293	11,293	11,293	6,750	6,750	6,750	4,543	4,543	4,543
Due from U. S. Treasurer	22,030	23,309	18,089	1,050	.....	.....	2	2	2
Total	$18,793,605	$19,562,033	$21,014,157	$11,459,456	$11,727,421	$13,416,663	$1,956,291	$1,864,455	$2,013,357
LIABILITIES.									
Capital stock paid in	$3,800,000	$3,800,000	$3,800,000	$2,500,000	$2,500,000	$2,500,000	$750,000	$750,000	$750,000
Surplus fund	855,000	855,000	855,000	1,475,000	1,500,000	1,500,000	225,000	225,000	225,000
Undiv. profits, less expenses and taxes paid	897,642	846,887	850,568	185,219	106,660	211,206	59,925	43,743	54,271
National bank notes issued, less amt on hand	217,650	213,470	212,550	90,000	90,000	90,000	80,335	72,455	90,355
Due to other National banks	2,005,377	2,156,124	3,046,046	658,474	662,482	835,007	70,869	42,784	49,887
Due to State banks and bankers	1,687,439	2,206,615	2,282,554	777,166	841,067	1,311,005	122,652	77,680	87,883
Dividends unpaid	2,766	4,527	7,371	1,110	4,685	1,800	1,050	2,897	1,489
Individual deposits	8,648,051	9,002,584	9,506,325	5,665,657	5,847,326	6,811,962	546,250	560,429	543,444
U. S. deposits	225,366	331,340	147,063	106,827	175,198	155,681	26,107	9,998	38,333
Deposits of U. S. disbursing officers	214,312	145,483	306,676	.....	.....	.....	64,100	79,466	47,242
Notes and bills rediscounted	.....	.....	.....	.....	.....	.....	.....	.....	.....
Bills payable	240,000	.....	.....	.....	.....	.....	.....	.....	125,000
Liabilities other than those above stated	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total	$18,793,605	$19,562,033	$21,014,157	$11,459,456	$11,727,421	$13,416,663	$1,956,291	$1,864,455	$2,013,357
Average reserve held	54.31 p. c.	52.75 p. c.	54.11 p. c.	28.16 p. c.	29.08 p. c.	34.45 p. c.	26.88 p. c.	38.36 p. c.	55.61 p. c.
* Total lawful money reserve	$2,667,230	$2,688,072	$3,180,155	$1,623,331	$1,655,462	$2,653,088	$139,822	$141,246	$189,500

	WASHINGTON, D. C.			THE UNITED STATES.		
RESOURCES.	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*
Loans and discounts	$8,037,818	$9,084,052	$8,842,737	$1,923,365,869	$1,966,891,500	$2,048,589,976
Overdrafts	15,233	13,620	10,313	10,786,007	10,662,210	15,707,442
U. S. bonds to secure circulation	929,150	979,150	879,150	229,419,550	228,439,400	227,119,700
U. S. bonds to secure U. S. deposits	100,000	100,000	100,000	16,533,000	16,723,500	17,003,000
U. S. bonds on hand	533,100	522,350	393,700	15,858,850	16,738,300	15,487,650
Premiums on U. S. bonds	92,001	131,208	117,116	17,628,105	17,436,215	17,242,620
Stocks, securities, etc.	1,349,443	1,061,497	1,104,072	203,422,977	204,932,235	208,790,839
Banking house, furniture and fixtures	1,069,994	1,069,994	987,166	78,695,971	78,973,817	78,968,695
Other real estate and mortgages owned	52,958	53,126	53,445	28,507,938	28,587,539	29,258,286
Due from National banks (not reserve agents)	1,146,061	1,090,115	1,131,170	140,940,788	135,587,688	155,809,095
Due from State banks and bankers	510,516	342,617	436,962	35,971,045	34,275,424	41,374,840
Due from approved reserve agents	2,574,778	2,053,303	2,120,706	251,948,640	275,755,165	296,710,294
Checks and other cash items	139,005	152,131	210,689	12,000,494	12,017,815	15,517,457
Exchanges for clearing-house	193,612	133,285	227,823	84,350,553	89,457,189	112,305,595
Bills of other National banks	7,408	8,342	9,373	19,476,047	20,606,097	20,558,689
Fractional paper currency, nickels and cents	7,651	6,929	6,422	966,579	981,780	961,071
*Lawful money reserve in bank, viz.:						
Gold coin	880,092	783,945	673,639	119,609,201	119,467,606	118,750,797
Gold Treasury certificates	690,050	682,750	630,750	19,426,050	16,792,990	17,512,900
Gold clearing-house certificates	.....	.....	.....	51,361,000	57,426,000	59,525,000
Silver dollars	9,272	6,794	9,557	6,948,233	6,853,275	6,464,345
Silver Treasury certificates	1,226,216	1,046,160	1,136,951	33,175,176	34,626,625	31,576,343
Silver fractional coin	30,647	29,423	31,518	5,556,722	5,756,105	5,414,442
Legal-tender notes	607,583	461,061	407,031	120,554,902	126,511,020	107,136,624
U. S. certificates of deposit for legal-tender notes	120,000	50,000	90,000	53,590,000	46,085,000	42,275,000
Five per cent. redemption fund with Treasurer	37,294	39,409	34,954	10,082,720	10,003,629	10,006,909
Due from U. S. Treasurer	.....	2,063	.....	2,235,481	1,819,922	1,180,139
Total	$20,359,890	$19,903,331	$19,645,251	$3,492,411,995	$3,563,408,053	$3,701,247,064
LIABILITIES.						
Capital stock paid in	$3,075,000	$3,075,000	$2,875,000	$637,002,395	$632,153,042	$630,338,095
Surplus fund	1,422,500	1,439,000	1,239,500	246,736,684	246,403,782	246,183,590
Undivided profits, less expenses and taxes paid	354,632	291,793	279,632	88,074,930	83,863,440	88,342,691
National bank notes issued, less amount on hand	703,865	721,835	672,745	198,278,310	198,590,790	198,603,222
State bank notes outstanding	.....	.....	.....	60,381	60,381	60,380
Due to other National banks	413,987	350,160	401,049	363,219,013	388,117,906	418,643,030
Due to State banks and bankers	217,464	226,910	210,123	195,001,040	206,876,900	227,036,629
Dividends unpaid	3,024	5,208	5,589	1,429,450	1,800,659	1,779,942
Individual deposits	14,112,866	13,701,278	13,837,279	1,728,083,971	1,770,480,563	1,851,192,929
U. S. deposits	55,548	77,146	69,653	12,128,991	12,922,506	12,081,247
Deposits of U. S. disbursing officers	.....	.....	35,468	3,499,856	3,468,352	4,060,963
Notes and bills rediscounted	.....	.....	19,211	5,419,397	5,450,428	7,203,183
Bills payable	21,000	15,000	.....	10,832,409	9,625,115	12,546,510
Liabilities other than those above stated	.....	.....	.....	2,645,163	3,594,185	3,174,676
Total	$20,359,890	$19,903,331	$19,645,251	$3,492,411,995	$3,563,408,053	$3,701,247,064
Average reserve held	44.21 p. c.	37.77 p. c.	37.45 p. c.	.....	.....	.....
*Total lawful money reserve	$3,595,880	$2,060,133	$2,979,446	410,221,374	$413,518,621	388,655,451

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, November 4, 1897.

THE SALE OF THE UNION PACIFIC RAILROAD under foreclosure, effected November 1, may be considered the most important influence that dominated financial circles during the past month. The Union Pacific, by a combination of circumstances, some financial others political, has been an important factor in the world of finance for many years, and the prospect of a severance of the ties which bound the road to the Government will generally be considered a most fortunate occurrence.

One has but to read the debates in Congress which attended the chartering of the road to appreciate how excellent a bargain the Government has driven with the reorganization committee, which has secured to it every dollar principal and interest of the indebtedness due from the company.

The public debt statement of November 1 shows that the Union Pacific on that date owed the Government $27,236,512 principal of bonds and $30,830,181 interest, a total of $58,066,693. All of this sum the reorganization committee has agreed to pay the Government, and there is $18,183,171 in the sinking fund which will go towards reducing the actual payment to be made.

The Government, after making two agreements, first to accept $45,754,000 and next $50,000,000, has succeeded in securing the entire $58,000,000 under threat to delay the sale of the railroad until after Congress should meet. Experience with Congress extending over a period of twenty years has demonstrated the futility of expecting any reasonable legislation where the Pacific railroads were involved, and this explains the capitulation of the reorganization committee.

The history of the Union Pacific is unique. It was chartered on July 1, 1862, when the Government was anxious to secure a railroad to the Pacific coast. The Government agreed to lend its credit to secure the building of the road, and was to be secured by a first mortgage. It was found impossible to obtain the additional money required, and on July 2, 1864, the railroad company was authorized to issue first mortgage bonds and the Government took a second mortgage for its advances. In the debate in Congress when the road was chartered it was predicted that the Government never would be reimbursed, and there were statesmen who argued that even if every cent were lost the Government would gain a thousand fold by securing a transcontinental railroad route. The scheme was generally considered impracticable, yet the road was built and in operation by May 10, 1869, although the charter fixed July 1, 1876, as the date for its completion.

The road has been bankrupt for several years, but with its reorganization completed, and the Government lien on its property and earnings removed, it has the chance of enjoying greater prosperity. It is interesting to note that when the Union Pacific was chartered there were only about 32,000 miles of railroad in the country, or only about one-sixth of the present mileage. Competition has seriously handicapped the pioneer railroad to the western coast.

The settlement of the Union Pacific question removes one more troublesome issue from the domain of Congressional tinkering. With that and the tariff question out of the way it is hoped that Congress will promptly take up the currency question. The Administration has been considering plans, the Secretary of the Treasury having

given the matter much thought. The Monetary Commission is also gathering data and receiving suggestions from all sources. Nevertheless there is grave doubt whether the Senate as now constituted will pass any measure looking to the reform of the currency system, and that doubt is causing considerable uneasiness in financial circles.

The present condition of the Treasury as far as its gold reserve is concerned is unquestionably safe, but the same influences exist now that from 1893 down to as late as August, 1896, forced gold out of the Treasury faster than the Government could replenish its supply. These influences lie not only in the deficient revenues of the Government but in the large amount of legal-tender notes which are redeemable in gold.

The Treasury now has nearly $156,000,000 of gold, more than at the end of any previous month since November, 1890, but in March, 1888, the Government owned nearly $219,000,000 and lost $100,000,000 of it in the succeeding three years, while in January, 1895, it had less than $45,000,000. There is no present prospect of a dearth of gold, however, for even if the present rate of Treasury deficits should continue it will be a long time before the surplus in the Treasury shall be extinguished. But with a change in our trade balance and an outward flow of gold, the drain upon the Treasury will be resumed. It is only the part of wisdom to look beyond the present that future perils may be avoided.

Few perhaps realize how great has been the increase in our gold supply since the great silver question was the issue in our presidential campaign. The stock of gold in the country in use as money or made the basis of money is now larger than ever before. The Treasury estimate for November 1 makes the total gold supply $729,661,210. Prior to October 1 the largest total was $711,705,050 on October 31, 1888. We have now nearly $18,000,000 more than that and it is not surprising that the banks are finding some inconvenience in taking care of it, or that the Government is withdrawing the privileges heretofore offered to depositors of gold in the Treasury.

That the supply will be greater rather than less in the near future hardly admits of a doubt. By lending on foreign exchange, and the Bank of England disposing of New York city bonds and raising the price of gold bars and eagles and by other ways the gold import movement has been checked, but there is that enormous trade balance steadily growing larger for which some provision must be made by our foreign customers. In the three months ended September 30 and particularly in the last month of that period the excess of our exports over imports has been exceptionally large. For purposes of comparison we show the net movements for each of the three months with the totals for the period this year and last.

NET EXPORTS.

1896.	*Merchandise.*	*Gold.*	*Silver.*	*Total.*
July	$15,609,237	$10,263,450	$3,128,045	$29,000,732
August	19,132,816	*2,316,994	3,021,846	19,837,668
September	34,275,108	*34,253,454	3,723,690	3,745,344
Total	$69,017,161	*$26,306,998	$9,873,581	$52,583,744
1897.				
July	$17,420,630	$4,523,918	$2,011,290	$23,955,838
August	40,976,738	*2,734,761	2,109,783	40,351,760
September	62,281,187	*4,623,814	1,700,356	59,358,229
Total	$120,678,555	*$2,834,157	$5,821,429	$123,665,827

*Imports.

In three months this country has exported $123,665,827 more merchandise, gold and silver than it imported; in the month of August alone more than $40,000,000 and in September $59,000,000. In the same three months last year the net exports of the entire period were less than in September this year. In September last year we imported $34,000,000 of gold, but in the same month this year less than $5,000,000. That the merchandise movement will bring gold this way before the close of the year, and in considerable volume, is a justifiable inference based upon part experience.

That this view is entertained abroad is suggested in the further advance last month in the Bank of England rate of discount from 2½ to 3 per cent. following the advance from 2 per cent. in the previous month. The Bank of Germany, which raised its rate from 3 to 4 per cent. in September, marked it up to 5 per cent. last month.

While money has become dearer abroad rates have tended downward here, and this fact has had a good deal to do with checking the gold imports which were assuming large proportions early in the month.

The business situation is steadily improving. Bank clearings are growing in volume and it is possible previous high records will shortly be broken. Railroad earnings gross and net are showing substantial gains in nearly all directions and the freight movement has increased.

The speculative markets have been rather quiet during the month, a natural reaction from the previous extraordinary activity. Only twice, on October 12 and 13, did the sales of stocks at the New York Stock Exchange equal 500,000 shares, while the usual daily trading was only 200,000 to 300,000 shares. There was an average decline in prices of stocks for the month of about 2 per cent., and of more than 3 per cent. from the highest prices recorded early in the month.

A further decline in cotton has put the price below 6 cents, the lowest since March, 1895, and within one-half a cent of the lowest ever recorded. The movement of cotton has been very heavy in the past two months—in fact was larger than from the largest crop ever known. While estimates of the crop make this year's yield show a very large total, still it is believed that the crop suffered injury while nearing maturity and the receipts will show a considerable falling off. Strikes are threatened among the English cotton-mill operatives and these with the low prices of print cloths are having a depressing influence upon the price of the raw product.

The large exports of wheat are causing the price of wheat to advance again and on October 28 the dollar line was crossed and $1.01⅛ recorded. On August 28 the price touched $1.10⅛. The export movement continues to grow. In September the total exports of wheat and flour were 26,000,000 bushels as compared with about 18,000,000 in September, 1896, and 19,000,000 bushels in August, 1897. During the four weeks of October the shipments from Atlantic ports alone were about 14,000,000 bushels, against less than 10,000,000 bushels last year. While wheat has advanced from 5 to 7 cents a bushel during the month, corn has been weaker and shows a net decline of 3 cents per bushel.

The evidence of better times is disclosed in the record of failures, which both in number and in aggregate of liabilities are steadily declining. The complete statistics for October are not yet published, but "Dun's Review" reports for the three weeks of the month 219 failures in the United States as against 270 last year, a decrease of nearly 20 per cent. The aggregate liabilities were $6,570,496, against $12,243,966 last year, a decrease of 46 per cent. Compared with 1895 there is a decrease of 41 per cent., with 1894 of 20 per cent. and with 1893 of 65 per cent. This improvement follows a notable change for the better as reflected in the statistics for the third quarter of the year. These show only 2,881 failures, the smallest since 1892. The total liabilities, were $25,601,188, only about one-third of those for the corresponding

quarter of 1896 and the smallest since 1882, excepting the three years 1885, 1888 and 1892.

The improvement in the general condition of business is still more apparent when the failures in the third quarter are compared with those of the previous quarterly periods of the year. In the first quarter the failures were 3,932 with liabilities of $48,007,911 and in the second 2,889 with liabilities of $43,684,876. In each the liabilities were nearly double those of the third quarter. The following statement shows the failures in each of the three quarters for the past five years.

YEAR.	*First quarter.*		*Second quarter.*		*Third quarter.*	
	Number.	Liabilities.	Number.	Liabilities.	Number.	Liabilities.
1893	3,202	$47,338,300	3,199	$121,541,289	4,015	$82,469,821
1894	4,304	64,137,333	2,734	87,595,973	2,868	29,411,196
1895	3,802	47,813,683	2,855	41,026,261	2,792	32,167,179
1896	4,031	57,425,135	2,995	40,444,547	3,757	73,285,349
1897	3,932	48,007,911	2,889	43,684,876	2,881	25,601,188

For many years the iron trade has been considered the barometer of the condition of general business. The largely increased use of iron and steel for building and other purposes in recent years has caused a failure on the part of this hitherto reliable index of trade to register accurately the depths of depression into which the country has been plunged, but improvement in the iron trade now must be accepted as indicative of improvement in other industries. While prices still fail to make a rapid advance, and the immediate future is not expected to witness a great increase in activity as the dull season is approaching, the sentiment prevails that a period of prosperity will open up early next year that will equal in extent the past four years of depression.

In the production of pig iron there has been such an increase as to warrant the most hopeful views regarding the future. In the Pittsburg district every blast furnace is now in operation and the output of pig iron in that district is larger than ever before. The total output of pig iron is now in excess of 10,000,000 tons a year while a year ago it was less than 6,000,000 tons. The output on the first of each month in the past two years is shown as follows:

MONTH.	*Furnaces in blast.*	*Weekly capacity.*	MONTH.	*Furnaces in blast.*	*Weekly capacity.*
		Tons.			Tons.
November 1, 1895	239	217,306	November 1, 1896	133	124,077
December 1, 1895	242	216,797	December 1, 1896	147	142,278
January 1, 1896	241	207,481	January 1, 1897	154	159,720
February 1, 1896	215	198,599	February 1, 1897	154	162,959
March 1, 1896	207	189,583	March 1, 1897	156	169,986
April 1, 1896	200	187,451	April 1, 1897	153	173,279
May 1, 1896	196	189,398	May 1, 1897	146	170,528
June 1, 1896	194	182,220	June 1, 1897	146	168,380
July 1, 1896	191	180,532	July 1, 1897	145	164,064
August 1, 1896	173	157,078	August 1, 1897	152	165,378
September 1, 1896	145	129,500	September 1, 1897	161	185,506
October 1, 1896	130	112,782	October 1, 1897	171	200,128

The weekly output on October 1 was the largest since January, 1896, and has increased 36,064 tons since July 1 last. While production has increased, however, stocks on hand have decreased, being only 691,527 tons on October 1, as compared with 1,000,612 tons on July 1, showing that consumption has exceeded production in the past three months by more than 300,000 tons. The increased output by this token is warranted by existing conditions and is the more significant of a condition which makes for prosperity.

THE MONEY MARKET.—The local money market has again lapsed into a state of ease, and rates for money are lower than they were a month ago. The yellow fever quarantine has interfered with the movement of money to the South on account of the cotton crop movement, although late in the month considerable currency was transferred to St. Louis from this city for handling that staple. The financiering of the Union Pacific reorganization may cause a temporary activity in the money market in the near future, but just now money is cheap and plenty. The scarcity of commercial paper is one of the most remarkable features of the situation, and is probably unparalleled in the experience of bankers in this season of the year At the close of the month call money ruled at 1½ to 2½ per cent. the average rate being about 2 per cent. Bank and trust companies quote 2½ per cent. as the minimum on Stock Exchange collateral. Time money on Stock Exchange collateral was quoted at 2½ per cent. for 60 days, 3 per cent. for 90 days, 3½ per cent. for four months, and 3½ @ 4 per cent. for five to six months. For commercial paper the rates are 3¾ @ 4 per cent., for 60 to 90 days endorsed bills receivable, 4 @ 4½ per cent. for first-class four to six months single names, and 4½ @ 5 per cent. for good paper having the same length of time to run. The rates for money in this city on or about the first of the month for the past six months are shown in the following table:

MONEY RATES IN NEW YORK CITY.

	June 1.	*July 1.*	*Aug. 1.*	*Sept. 1.*	*Oct. 1.*	*Nov. 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	1¼–1½	1 –2	1 –2	1 –1½	3 –3½	1½– 2½
Call loans, banks and trust companies	1¼–1½	1 –2	1 –2	1½–	3½–	2½–
Brokers' loans on collateral, 30 to 60 days	2 –	2 –	1½–	2½–	3 –	2½
Brokers' loans on collateral, 90 days to 4 months	2½–	2 –2½	2 –2½	3 –	3½–4	3½–
Brokers' loans on collateral, 5 to 7 months	3 –	2½–3	3 –	3½–	4½–5	3½–4
Commercial paper, endorsed bills receivable, 60 to 90 days	3¼–	3 –3¼	3½–	3¾–4	4¼–4½	3¾–4
Commercial paper prime single names, 4 to 6 months	3¾–4½	3¼–4	3¾–4	4 –4½	4½–5	4 –4½
Commercial paper, good single names, 4 to 6 months	4½–5	4 –4½	4½–5	4¾–5	5 –6	4½–5

EUROPEAN BANKS.—Nearly $27,000,000 of gold was lost by the principal European banks last month, the Bank of England suffering the greatest drain, that institution holding $12,000,000 less than it did a month ago, and $21,000,000 less than it did a year ago. The Bank of France lost $6,500,000 in the month but has about $4,000,000 more than at this time last year. The Bank of Germany lost $8,000,000 in the month and has about $7,000,000 less than a year ago.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	January 1, 1897.		*October 1, 1897.*		*November 1, 1897.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England	£34,158,899	.....	£34,366,741	.....	£31,928,171	.....
France	76,584,590	£49,130,797	79,723,800	£48,515,333	78,382,764	£48,261,644
Germany	28,505,450	14,252,750	28,175,000	14,514,000	26,512,000	13,658,000
Austro-Hungary	30,340,000	12,578,000	38,027,000	12,512,000	37,970,000	12,414,000
Spain	8,528,000	10,210,000	9,028,000	10,600,000	9,228,000	10,520,000
Netherlands	2,634,000	6,841,000	2,630,000	6,830,000	2,630,000	6,702,000
Nat. Belgium	2,736,667	1,368,833	2,806,000	1,403,000	2,753,333	1,376,667
Totals	£183,487,606	£94,380,880	£194,756,541	£94,374,333	£189,404,268	£93,962,311

FOREIGN EXCHANGE.—The sterling exchange market has been quiet during the month with rates ruling lower. The dearer rates for money abroad and the advance

in the price of gold bars in London to 78 shillings, and of American Eagles to 76 shillings 7½ pence, checked the gold import movement which began early in the month. A scarcity of cotton and grain bills has prevented rates from declining lower, and there have been reports that long exchange has been pledged as collateral for loans with some of our banks to be held until it becomes sight exchange.

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	July 1.	*Aug. 1.*	*Sept. 1.*	*Oct. 1.*	*Nov. 1.*
Sterling Bankers—60 days	4.85¼ — 6	4.86¼ — ⅛	4.83⅛ — ¾	4.82⅛ — ¾	4.82¼ — 2⅛
" " Sight	4.87 — ¾	4.87¼ — ½	4.85⅛ — ¾	4.84¾ — 5	4.85¼ — 5½
" " Cables	4.87¼ — ½	4.87⅛ — ¾	4.85⅝ — 6	4.85 — ¼	4.85⅝ — 6
" Commercial long	4.85¼ — ½	4.85⅛ — 6	4.83 — ¼	4.82 — ¼	4.81⅛ — 2
" Docu'tary for paym't.	4.84⅜ — 5	4.85¼ — ⅛	4.82⅛ — ¾	4.81⅛ — ¾	4.81¼ — 1⅛
Paris—Cable transfers	5.15 — 4⅝	5.15¼ — 4⅜	5.18⅛ — 7½	5.18¾ —	5.18⅛ —
" Bankers' 60 days	5.16⅞ —	5.16⅞ —	5.20 — 20	5.21¼ —	5.20⅜ —
" Bankers' sight	5.15 — 5	5.15 —	5.18⅛ —	5.19⅜ — 8¾	5.18¾ —
Antwerp—Commercial 60 days	5.19⅜ — 8¾	5.18¾ — ⅛	5.22½ — 17½	5.23⅛ —	5.22½ — 17½
Swiss—Bankers' sight	5.17½ —	5.16¾ —	5.18¾ — ⅛	5.20 — 19⅜	5.19¾ —
Berlin—Bankers' 60 days	95¼ — ⅛	95⅝ — ⅜	94⅛ — ⅜	94⅛ — ⅜	94⅝ — ⅛
" Bankers' sight	95⅛ — ¾	95⅝ —	95⅛ — ⅛	95⅛ — ⅛	95⅛ — ⅜
Brussels—Bankers' sight	5.15⅝ —	5.15⅝ — ⅛	5.18¾ — ½	5.20 — 19⅜	5.19⅜ —
Amsterdam—Bankers' sight	40⅛ — ⅜	40⅜ — ⅛	40⅛ — ⅛	40⅛ — ⅜	40⅛ — ¼
Kronors—Bankers' sight	27 — ⅛	27 — ⅛	26⅞ — ⅛	26⅞ — ⅛	26⅞ — ⅛
Italian lire—sight	5.38⅛ — 5½	5.40¼ — 37½	5.44⅜ — 2⅝	5.46¼ — 3¼	5.46¼ — 3½

RATES FOR STERLING AT CLOSE OF EACH WEEK.

Week ended	Bankers' Sterling. *60 days.*	Bankers' Sterling. *Sight.*	*Cable transfers.*	*Prime commercial. Long.*	*Documentary Sterling. 60 days.*
Oct. 2	4.82⅛ @ 4.82¾	4.84⅛ @ 4.84¾	4.85 @ 4.85¼	4.82 @ 4.82¼	4.81⅛ @ 4.81⅝
" 9	4.82¼ @ 4.82½	4.84⅛ @ 4.84¾	4.84¾ @ 4.85	4.81¾ @ 4.82	4.81¼ @ 4.81½
" 16	4.82 @ 4.82¼	4.84⅛ @ 4.84¾	4.84¾ @ 4.85	4.81½ @ 4.81¾	4.81 @ 4.81¼
" 23	4.82¼ @ 4.82½	4.84¾ @ 4.85	4.85¼ @ 4.85½	4.81¾ @ 4.82	4.81¼ @ 4.81½
" 30	4.82¾ @ 4.82½	4.85¼ @ 4.85½	4.85½ @ 4.86	4.81¾ @ 4.82	4.81¼ @ 4.81½

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	July 14, 1897.	*Aug. 11, 1897.*	*Sept. 15, 1897.*	*Oct. 13, 1897.*
Circulation (exc. b'k post bills)	£28,046,805	£28,008,480	£27,357,105	£27,872,765
Public deposits	7,138,815	7,004,421	7,620,581	7,178,852
Other deposits	43,795,055	40,514,160	40,119,267	40,532,607
Government securities	13,786,887	13,783,480	13,429,726	14,268,726
Other securities	29,714,229	27,408,906	27,997,809	29,381,214
Reserve of notes and coin	25,484,830	24,411,110	24,754,844	20,924,263
Coin and bullion	36,731,125	35,619,530	35,311,749	31,997,028
Reserve to liabilities	49⅝%	51⅛%	51⅝%	43⅛%
Bank rate of discount	2%	2%	2%	3%
Market rate, 3 months' bills	1½%	1½%	2%	2½%
Price of Consols (2¾ per cents.)	112⅛	112¼	111⅝	111⅛
Price of silver per ounce	27 7-16d.	25 9-16d.	25⅞d.	26 5-16d.
Average price of wheat	27s. 4d.	29s. 5d.	33s. 1d.	32s. 1d.

SILVER.—There was a considerable advance in the price of silver in the London market during the month, the advance being due largely to purchases made on

MONTHLY RANGE OF SILVER IN LONDON—1895, 1896, 1897.

Month.	1895. High	1895. Low.	1896. High	1896. Low.	1897. High	1897. Low.	Month.	1895. High	1895. Low.	1896. High	1896. Low.	1897. High	1897. Low.
January	27 1-16	27 1-16	30 5-16	30 5-16	29 13-16	29 11-16	July	30 5-16	30 1-16	31 5-16	31 5-16	27 11-16	26 15-16
February	27 1-16	27 1-16	31 1-16	30 5-16	29 15-16	29 11-16	August	30 1-16	30 1-16	31 5-16	30 5-16	26 15-16	23 15-16
March	30 1-16	27 5-16	31 1-16	31 5-16	29 15-16	28 13-16	September	30 1-16	30 1-16	30 13-16	30	27 1-16	23 15-16
April	30 5-16	29 5-16	31 1-16	30 13-16	28 15-16	28 5-16	October	31 5-16	30 5-16	30 1-16	29 15-16	27 1-16	26
May	30 5-16	30 1-16	31 1-16	30 11-16	28 1-16	27 5-16	November	31	30 5-16	30 1-16	29 15-16		
June	30 11-16	30 5-16	31 1-16	31 1-16	27 1-16	27 1-16	December	30 11-16	30	30	29 11-16		

account of short sale contracts that have matured. There were frequent fluctuations but the final price was the highest of the month, 27½ pence per ounce, as compared with 25½ pence a month ago, a gain of 2d. per ounce.

MONEY RATES ABROAD.—There was a general advance in rates in the European money markets. The Bank of England on October 14 advanced its rate of discount from 2½ to 3 per cent., the lower rate having been maintained since September 22. The Bank of Germany advanced its rate to 5 per cent. on October 11. Discounts of 60 to 90 day bills in London at the close of the month were 3 per cent. against 2 per cent. a month ago. The open market rate at Paris was 2 per cent., an advance of ⅛ per cent.; at Berlin and Frankfort, 4¼ per cent., an advance of ½ per cent.

MONEY RATES IN FOREIGN MARKETS.

	May. 14.	*June 18.*	*July 16.*	*Aug. 13.*	*Sept. 17.*	*Oct. 16.*
London—Bank rate of discount.....	2	2	2	2	2	3
Market rates of discount:						
60 days bankers' drafts.....	⅞	⅞	⅞	1½	2	2⅝—2¾
6 months bankers' drafts....	1⅝— ¼	1⅞— ¼	1¾	2¼	2⅛	2⅝— ¾
Loans—Day to day.....	½	½	½	½	1	1¼
Paris, open market rates.....	1¾	1¾	1¾	1¾	1⅞	2
Berlin, "	2¼	2¾	2⅜	2¾	3½	4
Hamburg, "	2¼	2¾	2⅜	2⅞	3½	4½
Frankfort, "	2⅜	2⅞	2½	2⅞	3½	4¼
Amsterdam, "	2½	1⅞	2⅜	2¾	2½	3
Vienna, "	3½	3½	3¼	3½	4	3⅝
St. Petersburg, "	5¾	5¾	5¾	4½	5	5
Madrid, "	4	4	4	4	4	4
Copenhagen, "	4½	4½	5	4	4½	5

COIN AND BULLION QUOTATIONS.—Following are the ruling quotations in New York for foreign and domestic coin and bullion:

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Trade dollars.....	$ .60	.....	Twenty marks.....	$4.74	$4.78
Mexican dollars.....	.45	$ .46¼	Spanish doubloons.....	15.50	15.70
Peruvian soles, Chilian pesos..	.41	.43	Spanish 25 pesos.....	4.78	4.82
English silver.....	4.83	4.86	Mexican doubloons.....	15.50	15.70
Victoria sovereigns.....	4.84	4.87	Mexican 20 pesos.....	19.50	19.60
Five francs.....	.93	.95	Ten guilders.....	3.95	3.99
Twenty francs.....	3.83	3.87			

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 27⅛d. per ounce. New York market for large commercial silver bars, 58¼ @ 59½c. Fine silver (Government assay), 58¾ @ 60c.

GOLD AND SILVER COINAGE.—The coinage of the United States mints in October aggregated $6,426,500 of which $3,845,000 was gold, $2,301,000 silver, $620,000 standard dollars and $280,500 minor coin.

COINAGE OF THE UNITED STATES.

	1896.		*1897.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*
January.....	$12,914,600	$65,000	$7,803,420	$1,964,800
February.....	1,240,000	1,500,000	10,152,000	1,519,794
March.....	1,540,555	1,683,531	13,770,900	1,617,654
April.....	1,500,000	1,831,000	8,800,400	1,535,000
May.....	2,857,200	1,826,490	4,489,950	1,600,000
June.....	2,471,217	1,950,693	2,100,547	1,856,754
July.....	2,918,200	1,092,000	377,000	260,000
August.....	3,315,000	2,686,000	8,756,250	701,496
September.....	3,140,923	2,754,185	8,762,375	1,050,092
October.....	5,727,500	2,844,010	3,845,000	2,301,000
November.....	5,084,700	2,305,022		
December.....	4,363,165	2,551,968		
Year.....	$47,052,561	$23,089,899	$68,857,842	$14,406,530

NEW YORK CITY BANKS.—The withdrawal of deposits from the local banks which began in the middle of September continued until the middle of October when the movement ceased after a loss of $26,000,000. In the last two weeks, however, there was an increase of $9,000,000. Loans after falling from $579,000,000 on September 18 to $562,000,000 on October 23, increased in the last week of the month more than $5,000,000. Reserves increased during the month $10,000,000, of which more than $9,000,000 was in specie. The surplus reserve increased nearly $9,000,000 and is now nearly $7,000,000 greater than it was at this time in either 1896 or 1895. Both loans and deposits are larger than they ever were before at this season of the year, loans being $121,000,000 more than a year ago and deposits $179,000,000 greater.

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Oct. 2...	$571,993,400	$92,365,100	$78,023,600	$619,353,200	$15,550,400	$15,790,400	$811,825,000
" 9...	571,731,100	93,948,500	73,721,300	616,737,200	13,485,500	15,820,200	771,364,100
" 16...	569,117,000	94,886,700	73,747,700	616,079,600	14,614,500	15,866,700	799,310,900
" 23...	562,175,400	100,756,300	76,514,700	617,465,200	22,904,700	15,970,900	764,598,100
" 30...	567,200,500	101,611,300	78,995,300	625,339,200	24,271,800	16,071,300	680,229,900

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	*1895.*		*1896.*		*1897.*	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January.....	$549,291,400	$35,268,850	$501,089,300	$15,939,675	$530,785,000	$33,286,950
February.....	546,965,200	36,751,500	490,447,200	39,623,400	563,331,800	59,148,250
March.....	528,440,800	28,054,500	489,612,200	24,442,150	573,769,300	57,520,975
April.....	504,240,200	13,413,450	481,795,700	17,005,975	569,228,500	47,666,575
May.....	526,998,100	27,233,575	495,004,100	22,944,275	576,863,900	48,917,625
June.....	566,229,400	41,221,250	498,874,100	22,230,675	575,600,000	46,616,100
July.....	570,436,300	34,225,925	499,046,900	20,328,275	604,983,700	41,384,875
August.....	574,304,500	40,917,175	485,014,000	17,728,600	623,045,000	45,720,150
September....	574,929,900	39,149,925	451,934,800	8,836,200	636,996,000	39,517,700
October.....	549,136,500	22,206,175	454,733,100	16,526,025	619,353,200	15,550,400
November....	529,862,400	17,594,400	446,445,900	17,463,225	625,339,000	24,271,800
December....	520,788,000	18,613,300	490,634,300	31,411,625		

Deposits reached the highest amount, $642,149,900 on September 11, 1897, and the surplus reserve $111,623,000 on February 3, 1894.

BOSTON AND PHILADELPHIA BANKS.—The changes in the condition of the clearing-house banks of Boston and Philadelphia are shown in the following tables:

BOSTON BANKS.

Dates.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Oct. 2.....	$182,847,000	$179,316,000	$10,809,000	$8,273,000	$7,597,000	$115,641,305
" 9.....	181,419,000	179,497,000	10,707,000	9,282,000	7,382,000	113,063,400
" 16.....	181,010,000	181,166,000	10,776,000	9,047,600	7,200,000	108,305,100
" 23.....	181,206,000	179,995,000	10,022,000	8,652,000	7,186,000	105,963,100
" 30.....	181,739,000	180,311,000	11,024,000	8,536,000	7,160,000	98,083,800

PHILADELPHIA BANKS.

Dates.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Oct. 2.....	$117,432,000	$125,477,000	$37,273,000	$6,920,000	$66,172,000
" 9.....	118,409,000	125,397,000	36,760,000	6,951,000	73,966,200
" 16.....	119,343,000	126,543,000	36,306,000	6,868,000	70,739,700
" 23.....	119,634,000	125,729,000	36,186,000	6,799,000	68,368,000
" 30.....	119,814,000	127,753,000	36,985,000	6,717,000	63,454,530

Government Revenues and Disbursements.

For the fourth consecutive month the receipts of the Government have been less than the expenditures, the deficit for October being more than $9,300,000 making since July 1 a deficit of $38,338,000. In the same period last year there was a deficit of nearly $33,000,000. The receipts in October were $8,000,000 more than in September, nearly $2,000,000 of the gain being in customs, but the latter were $1,400,000 less than in October last year, the total receipts being about $2,000,000 less than a year ago. The expenditures were $9,000,000 more than in September but $265,000 less than in October last year.

United States Treasury Receipts and Expenditures.

Receipts.			Expenditures.		
Source.	October, 1897.	Since July 1, 1897.	Source.	October, 1897.	Since July 1, 1897.
Customs	$9,713,494	$41,611,099	Civil and mis.	$8,780,000	$36,556,516
Internal revenue	13,614,873	57,277,875	War	5,251,000	25,886,634
Miscellaneous	1,061,980	5,543,190	Navy	2,968,000	11,446,754
			Indians	599,000	3,088,692
			Pensions	10,885,000	50,627,833
Total	$24,390,347	$104,432,164	Interest	5,210,000	15,184,343
Excess of expenditures	$9,322,653	$38,338,608	Total	$33,713,000	$142,770,772

United States Treasury Cash Resources.

	July 30.	Aug. 31.	Sept. 30.	Oct. 31.
Net gold	$143,926,401	$144,206,276	$147,621,983	$153,551,811
Net silver	33,538,187	23,750,676	14,156,727	15,578,985
U. S. notes	29,175,995	28,169,896	41,403,141	39,875,497
Miscellaneous assets (less current liabilities)	14,879,408	8,158,150	*4,983,131	*15,097,480
Deposits in National banks	16,991,618	17,116,471	17,392,278	17,638,555
Available cash balance	$238,511,604	$221,410,411	$215,587,978	$211,547,369

* Excess of liabilities.

United States Government Receipts and Expenditures and Net Gold in the Treasury.

Month.	1896.			1897.		
	Receipts.	Expenditures.	Net Gold in Treasury.	Receipts.	Expenditures.	Net Gold in Treasury.
January	$29,237,670	$32,529,340	$49,845,507	$24,316,994	$30,289,389	$144,800,493
February	26,059,228	26,749,956	123,962,979	24,400,997	28,796,056	148,661,309
March	26,041,149	27,274,994	128,646,461	26,217,662	27,212,998	152,786,464
April	24,282,868	28,987,381	125,393,900	27,812,185	32,072,097	153,340,889
May	24,643,718	28,426,592	108,345,234	29,797,390	29,109,259	144,319,562
June	27,794,219	25,444,789	101,699,605	26,584,708	22,934,694	140,790,788
July	29,029,209	42,088,468	110,718,746	39,027,364	50,100,909	140,817,699
August	25,562,097	35,701,676	100,957,561	19,023,615	33,588,047	144,216,377
September	24,584,244	26,579,535	124,034,672	21,933,098	25,368,815	147,663,105
October	26,282,829	33,978,277	117,126,523	24,390,347	33,713,000	*153,551,811
November	25,210,696	33,260,720	131,510,352			
December	25,857,114	23,812,664	137,316,543			

* This balance as reported in the Treasury sheet on the last day of the month.

Money in Circulation.—The volume of circulation was further increased last month $27,892,366, making an increase since November 1, 1896, of nearly $180,000,000, or an average of $2.50 per capita, the circulation per capita now being $23.23. On August 1 last it was only $22.53. The gold coin in circulation increased last month $11,175,000; silver dollars, $3,051,000; subsidiary silver, $2,256,000; Treasury notes, $11,943,000 and United States notes, $7,201,000. The decreases were in gold certifi-

cates, $84,450; silver certificates, $1,781,000; currency certificates, $4,540,000 and National bank notes, $1,329,000.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1897	*Sept. 1, 1897.*	*Oct. 1, 1897.*	*Nov. 1, 1897.*
Gold coin	$517,743,229	$521,848,563	$528,098,753	$539,278,953
Silver dollars	58,581,819	53,085,664	57,145,770	60,196,778
Subsidiary silver	62,101,986	58,990,292	61,176,415	63,432,929
Gold certificates	37,897,439	37,017,789	36,398,559	36,814,100
Silver certificates	358,655,800	367,863,337	374,620,299	372,338,919
Treasury notes, Act July 14, 1890	84,171,221	83,145,312	89,816,063	101,759,955
United States notes	261,367,758	254,432,314	251,795,544	258,996,996
Currency certificates, Act June 8, 1872	50,330,000	63,275,000	52,835,000	48,285,000
National bank notes	221,384,148	226,075,827	226,464,135	225,134,263
Total	$1,650,223,400	1,665,680,098	$1,678,840,538	$1,706,782,904
Population of United States	72,159,000	73,199,000	73,330,000	73,461,000
Circulation per capita	$22.87	$22.76	$22.89	$23.23

NATIONAL BANK CIRCULATION.—A small decrease, $146,265, is reported in National bank notes outstanding for the month, but there was a decrease in circulation based on Government bonds of $1,146,240 and an increase in deposits to retire circulation of $999,975. There were $1,606,000 of Government bonds withdrawn as security for circulation, the largest amount for any single month in some time.

NATIONAL BANK CIRCULATION.

	July 31, 1897.	*Aug. 31, 1897.*	*Sept. 30, 1897.*	*Oct. 31, 1897.*
Total amount outstanding	$230,758,936	$230,508,524	$230,725,491	$230,047,635
Circulation based on U. S. bonds	206,498,956	205,755,976	205,604,781	203,926,950
Circulation secured by lawful money	24,259,980	24,752,548	25,120,710	26,120,685
U. S. bonds to secure circulation:				
Four per cents. of 1895	32,781,050	31,933,150	31,568,150	30,474,150
Pacific RR. bonds, 6 per cent	8,787,000	8,955,000	2,556,000	9,080,000
Funded loan of 1891, 2 per cent	22,271,150	15,846,650	22,159,150	22,089,650
" " 1907, 4 per cent	150,543,750	150,490,650	150,194,600	150,288,100
Five per cents. of 1894	15,728,350	22,245,650	15,870,650	15,910,650
Total	$230,111,300	$229,471,100	$229,348,550	$227,742,550

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1895, $2,530,000; Pacific Railroad 6 per cents., $375,000; 2 per cents of 1891, $1,240,500; 4 per cents of 1907, $12,545,000; 5 per cents. of 1894, $385,000, a total of $17,075,500.
The circulation of National gold banks, not included in the above statement, is $84,640.

MONEY IN THE UNITED STATES TREASURY.—The Treasury last month lost more than $4,000,000 in the aggregate cash held and nearly $10,000,000 in the net cash balance. It gained nearly $6,000,000 gold, lost nearly $3,000,000 silver dollars and bullion, $1,500,000 subsidiary silver, and $7,000,000 United States notes. Its holdings of National bank notes increased nearly $1,200,000. Since August the net cash in the Treasury has decreased nearly $28,000,000.

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1897.	*Sept. 1, 1897.*	*Oct. 1, 1897.*	*Nov. 1, 1897.*
Gold coin	$120,638,598	$150,003,810	$154,338,370	$153,417,732
Gold bullion	54,565,385	31,230,355	30,223,294	36,909,526
Silver Dollars	384,584,572	308,908,078	304,948,022	302,517,014
Silver bullion	110,815,247	105,125,123	105,078,550	104,853,852
Subsidiary silver	14,215,766	15,335,285	13,455,175	11,981,078
United States notes	85,313,258	92,248,702	94,885,472	87,684,018
National bank notes	14,278,970	4,517,847	3,814,835	4,998,012
Total	$784,411,796	$797,369,200	$796,743,718	$792,421,231
Certificates and Treasury notes, 1890, outstanding	529,044,460	551,301,438	554,159,921	559,607,983
Net cash in Treasury	$255,367,336	$246,067,762	$242,583,797	$232,723,248

THE SUPPLY OF MONEY IN THE COUNTRY.—The total stock of money is now increasing very rapidly, last month there being an increase of $18,000,000, making an increase of $32,000,000 in the last three months. The increase naturally is almost exclusively in gold the only other source of increase now being from the coinage of silver bullion in the Treasury into silver dollars. The gold coin and bullion increased last month $17,000,000 and since August 1, $32,000,000. Since January 1, the increase amounts to $46,000,000.

SUPPLY OF MONEY IN THE UNITED STATES.

	Jan. 1, 1897.	*Sept. 1, 1897.*	*Oct. 1, 1897.*	*Nov. 1, 1897.*
Gold coin	$638,381,827	$671,352,373	$682,437,123	$692,691,685
Gold bullion	54,565,385	31,230,355	30,223,294	36,969,525
Silver dollars	443,166,301	451,996,742	452,093,792	452,713,792
Silver bullion	110,815,247	105,125,123	105,078,550	104,853,852
Subsidiary silver	76,317,752	74,271,577	74,631,590	75,414,007
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	235,663,118	230,596,674	230,278,970	230,132,275
Total	$1,905,590,736	$1,911,747,860	$1,921,424,335	$1,939,456,152

Certificates and Treasury notes represented by coin, bullion, or currency in Treasury are not included in the above statement.

UNITED STATES PUBLIC DEBT.—The only important feature of the public debt statement for November 1 is the increase in the net debt less cash in the Treasury of nearly $8,500,000 for the past month. This is brought about by a decrease in the net assets of the Treasury without any increase in the principal of the debt excepting $1,000,000 in the National bank note redemption account. The net debt has increased from about $993,000,000 to $1,020,000,000 in the past three months. The net cash balance in the Treasury has fallen from $233,000,000 on August 1 and $215,000,000 on October 1 to less than $208,000,000 on November 1.

UNITED STATES PUBLIC DEBT.

	Jan. 1, 1897.	*Sept. 1, 1897.*	*Oct. 1, 1897.*	*Nov. 1, 1897.*
Interest bearing debt:				
Funded loan of 1891, 2 per cent	$25,364,500	$25,364,500	$25,364,500	$25,364,500
" " 1907, 4 "	559,638,900	559,641,200	559,641,200	559,641,300
Refunding certificates, 4 per cent	45,890	44,440	44,440	44,380
Loan of 1904, 5 per cent	100,000,000	100,000,000	100,000,000	100,000,000
" 1925, 4 "	162,315,400	162,315,400	162,315,400	162,315,400
Total interest-bearing debt	$847,364,690	$847,365,540	$847,365,540	$847,365,580
Debt on which interest has ceased	1,383,070	1,336,280	1,334,570	1,331,540
Debt bearing no interest:				
Legal tender and old demand notes	346,735,363	346,735,363	346,735,363	346,735,363
National bank note redemption acct.	18,876,333	24,571,442	24,992,324	26,000,524
Fractional currency	6,890,504	6,887,702	6,887,702	6,887,702
Total non-interest bearing debt	$372,502,201	$378,194,507	$378,615,390	$379,623,590
Total interest and non-interest debt	1,221,249,961	1,226,896,327	1,227,315,500	1,228,320,690
Certificates and notes offset by cash in the treasury:				
Gold certificates	39,279,789	38,527,169	38,434,169	38,348,169
Silver "	370,883,504	379,112,504	385,152,504	384,170,504
Certificates of deposit	50,890,000	63,650,000	54,150,000	48,625,000
Treasury notes of 1890	119,816,280	112,672,280	111,334,280	109,313,280
Total certificates and notes	$580,809,573	$593,961,953	$589,070,953	$580,456,953
Aggregate debt	1,802,059,534	1,820,858,280	1,816,386,453	1,808,777,643
Cash in the Treasury:				
Total cash assets	853,463,551	858,145,367	850,368,631	831,669,957
Demand liabilities	625,143,172	639,584,161	655,175,844	623,913,858
Balance	$228,320,379	$218,561,206	$215,192,787	$207,756,099
Gold reserve	100,000,000	100,000,000	100,000,000	100,000,000
Net cash balance	128,320,379	118,561,206	115,192,787	107,756,099
Total	$228,320,379	$218,561,206	$215,192,787	$207,756,099
Total debt, less cash in the Treasury	992,929,582	1,008,335,121	1,012,122,713	1,020,564,591

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of October, and the highest and lowest during the year 1897, by dates, and also, for comparison, the range of prices in 1896:

	Year 1896.		Highest and Lowest in 1897.				October, 1897.		
	High.	*Low.*	*Highest.*		*Lowest.*		*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	18	8¼	17 —Sept.	18	9⅛—Apr.	19	16	13	13¼
" preferred	28½	14⅛	35¼—Sept.	8	17 —Apr.	19	33¼	27½	29½
Atlantic & Pacific	1	⅝	1½—Aug.	13	⅛—Apr.	7	....	....	....
Baltimore & Ohio	44	10⅛	21⅛—Sept.	20	9 —July	10	17⅜	13¼	14
Bay State Gas	33	7	16¾—Aug.	31	3⅞—Oct.	27	9¼	5⅞	4⅛
Brooklyn Rapid Transit	25½	18	37 —Sept.	13	18⅜—Jan.	7	35	29½	34
Canadian Pacific	63¾	53	81¾—Oct.	14	46½—Mar.	29	81¾	78½	79½
Canada Southern	51¾	40¾	62⅞—Sept.	16	44⅛—Jan.	13	58½	54	55¼
Central of New Jersey	110	87½	103¾—Jan.	19	68¼—May	24	98¼	90½	92⅞
Central Pacific	16⅛	13⅛	18 —Sept.	28	7⅛—Apr.	20	17⅞	14	14
Ches. & Ohio vtg. ctfs.	18½	11	27⅞—Aug.	30	15⅝—Mar.	29	24⅞	20¼	22
Chicago & Alton	164	146	170 —Mar.	1	147 —July	22	165	162	162
Chicago, Burl. & Quincy	83¾	53	102¼—Sept.	20	69⅜—Jan.	5	99⅛	91⅞	95¼
Chicago & E. Illinois	43	37½	61 —Sept.	8	37¼—June	7	55	55	55
" preferred	100½	90	103 —Sept.	14	93 —Feb.	8	100½	96¼	96¼
Chicago Gas	78¾	44⅜	108¾—Sept.	18	73¼—Jan.	5	102	87¼	97
Chic., Milwaukee & St. Paul.	80	59⅝	102 —Sept.	15	69½—Apr.	19	98⅜	91⅞	93½
" preferred	131	117½	146 —Sept.	4	130½—May	6	142	139	139¾
Chicago & Northwestern	106¾	85½	132½—Sept.	15	101¾—Apr.	19	127⅞	121⅝	123¾
" preferred	152	140¾	165½—Sept.	22	153 —Jan.	12	164	163	163
Chicago, Rock I. & Pacific	74⅞	49¼	97½—Sept.	20	69¼—Apr.	19	93¼	84⅞	86⅝
Chic., St. Paul, Minn. & Om.	49¾	30⅛	89½—Sept.	16	47 —Jan.	2	89¾	76¼	79½
" preferred	133	117	148 —July	26	133 —Jan.	7	145	140¾	144
Clev., Cin., Chic. & St. Louis.	39½	19⅛	41½—Sept.	15	21½—June	1	39	33¾	35½
" preferred	90½	73	86½—Sept.	8	63 —June	16	85	80	80
Col. Coal & Iron Devel. Co.	4½	¼	2 —Aug.	13	⅜—July	2	¾	¾	¾
Col. Fuel & Iron Co.	34¾	14⅝	27⅞—Sept.	14	15⅝—May	11	24½	21¾	23¼
Col. Hocking Val. & Tol.	20⅛	12½	18 —Jan.	8	1¼—Apr.	30	7⅝	6	6
" preferred	60	48	46 —Jan.	21	14 —Aug.	3	18	16	18
Consolidated Gas Co.	168	133	241½—Sept.	16	136½—Jan.	2	220	194	197
Delaware & Hud. Canal Co.	129⅝	114½	123 —Sept.	18	90⅝—Apr.	1	118¼	112	113
Delaware, Lack. & Western.	166	138	164 —Aug.	12	146½—May	20	158½	151	155¾
Denver & Rio Grande	14	10	14¾—Aug.	14	9¼—Apr.	20	13½	12	12
" preferred	51	37	50¼—Aug.	16	36 —Apr.	20	48¾	44¼	44¼
Edison Elec. Illum. Co., N. Y.	101¼	80	132½—Sept.	17	101¾—Jan.	2	127	123	123
Erie	17¾	10¼	19 —Sept.	16	11¼—Apr.	19	17⅛	14⅜	15¼
" 1st pref	41¾	27	46⅝—Sept.	16	27 —Apr.	19	42½	35½	36⅞
" 2d pref	25	13	25⅝—Aug.	12	15⅛—May	24	23¾	19½	19¾
Evansville & Terre Haute.	34½	24	34 —Sept.	20	20 —June	8	27	25	26
Express Adams	154	135	165 —Oct.	29	147¼—Feb.	11	165	155½	165
" American	116	105	119 —Sept.	23	109¼—Jan.	28	119	116	117
" United States	48	35	48 —July	23	37 —Feb.	3	46	40	40
" Wells, Fargo	101	80	112 —Aug.	13	97 —Jan.	2	110¼	108	109¾
Great Northern, preferred	122	108¼	141 —Sept.	4	120 —Jan.	16	139¾	130¾	130¾
Illinois Central	98	84½	110¾—Aug.	7	91⅛—Apr.	19	104¾	101	102¼
Iowa Central	10¼	5½	13¾—Sept.	4	6 —Apr.	15	9⅞	8⅞	8⅞
" preferred	38	19	41¾—Sept.	4	23 —June	8	36	32	33
Laclede Gas	30	17	49¾—Aug.	31	22 —May	4	46	40½	43
" preferred	86¼	68¼	96 —Aug.	31	70¼—Mar.	23	95	90	93
Lake Erie & Western	23½	12½	22½—Sept.	18	13 —July	15	20	17½	17½
" preferred	75	55½	79⅞—Sept.	20	58¼—Apr.	1	77¾	74½	75
Lake Shore	156	134¾	181 —Sept.	16	152 —Jan.	2	177	170	170
Long Island	84	40½	55 —Jan.	8	40 —June	10	43	40½	41
Louisville & Nashville	55⅝	37½	63⅞—Sept.	3	40⅛—Apr.	19	61¼	54⅝	56⅛
Louis., N. A. & Chic., Tr. ctfs.	10½	¼	½—June	23	¼—Jan.	11	....	....	....
" preferred	24¾	1	....		....		....	....	....
Manhattan consol	113½	73¼	113 —Sept.	10	81¾—May	7	101¼	97¾	101⅛
Metropolitan Traction	114	79¼	125 —Sept.	3	99⅝—May	3	124½	118	121
Michigan Central	97⅞	89	111⅞—Sept.	16	90 —Jan.	28	108	102	105¾
Minneapolis & St. Louis	21¾	12	31¼—Sept.	16	16 —May	14	26¼	25	26
" 1st pref	83	54	90 —Sept.	16	77¾—Mar.	18	87½	84¼	84¼
" 2d pref	53½	30	63¾—Sept.	16	46 —Feb.	26	59	54	55¾
Missouri, Kan. & Tex	14¾	9⅛	16⅞—Sept.	16	10 —Apr.	19	16	13¾	13¼
" preferred	31⅛	16	42 —Sept.	15	24¾—Apr.	19	40¼	31	32¼

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1896.		Highest and Lowest in 1897.		October, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Missouri Pacific	29¾	15	40¼—Sept. 7	10 —May 6	35¼	27⅛	30⅜
Mobile & Ohio	25	14	32 —Aug. 19	18 —June 3	28¼	26	27
N. Y. Cent. & Hudson River	99¾	88	115½—Sept. 16	92½—Feb. 18	111⅝	108½	108¼
N. Y. Chicago & St. Louis	15	9	17⅞—Sept. 3	11 —Feb. 11	15¼	13¼	14
" 1st preferred	80	67½	81½—Sept. 4	67⅝—Apr. 15	78¼	75	75
" 2d preferred	35⅝	20	43¼—Sept. 20	24 —Feb. 10	38	34½	35½
N. Y., New Haven & Hartf'd.	186	160	186 —Sept. 20	160 —Feb. 2	183	180	181
N. Y., Ontario & Western	16⅝	11⅛	20¼—Sept. 16	12¾—Apr. 19	18¾	15⅞	16⅜
N. Y., Sus. & Western	12	6	20 —Sept. 16	6½—May 28	20	16½	17
" preferred	31¼	12	45 —Sept. 17	18¼—May 20	41¼	32	32¼
Norfolk & Western	12¾	½	17¼—Sept. 10	9 —Apr. 19	16½	14	14
" preferred	19¾	4½	45¾—Sept. 4	17 —Feb. 16	45⅛	41⅜	42¼
North American Co	6¼	3½	6⅝—Aug. 13	3⅝—Apr. 20	5	4	4½
Northern Pacific tr. receipts	16⅞	¼	21⅞—Sept. 16	11 —Apr. 19	21⅛	17⅛	18⅜
" pref tr. receipts	36	10	57 —Sept. 16	32½—Jan. 5	55⅞	50½	52¾
Oregon Railway & Nav	24	10	41 —Sept. 10	10 —Apr. 20	37½	34	37¼
" preferred	40¼	35	73½—Sept. 11	37½—Jan. 8	69	64	68½
Oregon Short Line	18⅛	3½	23¾—Aug. 16	10⅝—Mar. 30	21½	18¼	18⅝
Pacific Mail	31	15¼	39¼—Sept. 2	24 —Jan. 9	36¼	28¾	30¾
Peoria, Dec. & Evansville	3⅞	1¼	3⅞—Aug. 17	¼—June 2	3½	1	1
Pitts., Cin. Chic. & St. Louis	18¼	11	34½—Oct. 20	11½—Mar. 29	34½	26¼	32¼
" preferred	59	40½	70½—Oct. 20	44½—June 25	70½	63¾	69
Pullman Palace Car Co	164	138	185 —Sept. 16	152 —Jan. 2	178	167½	171¼
Reading Voting Tr. ctfs	....	....	29¼—Sept. 18	16¼—Apr. 19	27¼	22¼	23¼
" 1st prefered	....	....	57¾—Sept. 20	38½—Apr. 19	55½	47⅞	49¾
" 2d preferred	....	....	35⅞—Sept. 20	22½—Apr. 19	33⅞	28¼	29
Rome, Wat. Ogdens' g	118	108	121½—Sept. 28	117 —Jan. 26	120½	120½	120¼
St. Louis & San Francisco	5⅝	4	9 —Aug. 12	4 —Apr. 19	7⅜	5⅝	6⅝
" 1st preferred	37	34¼	57¼—Aug. 12	37 —Jan. 29	53½	49¼	51⅞
" 2d preferred	14⅛	12	22¾—Aug. 12	12 —Apr. 15	21¼	19	20¼
St. Louis & Southwestern	5¾	2⅞	7 —Aug. 16	1 —Apr. 1	5½	4¼	4½
" preferred	13	6½	14⅜—Sept. 3	3¼—Apr. 1	11	9	9¼
St. Paul & Duluth	27½	15	30 —Sept. 10	20 —Jan. 4	20	20	20
" preferred	91	75	87½—Oct. 4	75 —Apr. 20	87½	80¼	80¼
St. Paul, Minn. & Manitoba	115	105	125 —Aug. 6	114 —Jan. 28	123½	123½	123½
Southern Pacific Co	22¼	14	23⅛—Sept. 8	13½—Jan. 13	21¼	19	20¼
Southern Railway	11¾	6¼	12¼—Sept. 10	7 —Apr. 19	11¼	9¼	9⅝
" preferred	33¼	15½	38⅜—Sept. 10	22⅞—Mar. 19	34½	29⅝	30¾
Tennessee Coal & Iron Co	34¾	13	35½—Sept. 9	17 —May 20	32½	25⅝	26¾
Texas & Pacific	12	5	15 —Aug. 30	8 —Apr. 1	13½	10⅝	11¼
Union Pacific trust receipts	12½	3⅞	27¾—Oct. 20	4½—Apr. 19	27¾	20¼	22½
Union Pac., Denver & Gulf	5½	1⅛	11⅜—Sept. 23	1 —Apr. 24	10⅝	7⅛	7⅜
Wabash R. R	8	4½	9¾—Sept. 23	4⅝—Mar. 29	8¼	7	7⅜
" preferred	19¾	11	24⅜—Sept. 20	11½—Apr. 19	22⅜	18	19
Western Union	90¼	72¾	96¾—Sept. 11	77½—Apr. 30	91⅞	87¼	88
Wheeling & Lake Erie	13¼	5¼	6½—Jan. 2	½—June 1	2⅜	1⅜	1⅜
" preferred	40¾	20⅝	29 —Jan. 5	2⅜—Apr. 15	14½	13¼	14
Wisconsin Central	4¾	1⅜	4⅜—Aug. 12	1 —June 3	3	2⅜	2⅝
"Industrial"	Stocks:						
American Co. Oil Co	19	8	26⅞—Sept. 2	9¼—May 28	25	20	21¼
" preferred	68⅞	37	80¼—Sept. 1	52¼—Feb. 16	77½	74	74¾
American Spirits Mfg Co	14⅞	4½	15⅞—Aug. 6	9¼—Apr. 23	12⅞	9¼	10½
" preferred	33¼	14¾	36 —Aug. 5	26 —Jan. 5	31½	27⅜	28
American Sugar Ref. Co	126⅝	95	150¼—Sept. 3	109½—Mar. 29	150¼	137	141⅜
" preferred	104	92¼	121½—Sept. 14	100¾—Jan. 7	116¾	113	113
American Tobacco Co	95	51	96⅜—Aug. 9	67¼—Feb. 15	90¼	78⅞	83¼
" preferred	106	95	115 —Aug. 6	100 —Feb. 11	113	109½	110
General Electric Co	39½	20	41⅜—Sept. 15	28⅝—May 19	38¼	32½	33¾
National Lead Co	28⅝	16	44 —Sept. 10	21⅞—Feb. 16	40	32½	34½
" preferred	92¾	75	109¾—Sept. 10	88⅜—Feb. 13	105	103½	103¾
National Linseed Oil Co	21¼	11¼	23¼—Aug. 13	10 —May 17	17⅜	16	17
National Starch Manfg. Co	7¾	4¾	13 —Aug. 31	3 —May 5	8	6	6
Standard Rope & Twine Co	12¼	8⅛	11¾—Jan. 19	3½—June 29	6½	4¾	4⅞
U. S. Leather Co	11⅞	5¼	10¼—Aug. 23	6¼—May 22	8½	7⅛	7⅛
" preferred	69⅛	41¼	72 —Sept. 1	50½—Apr. 29	67	61¼	63½
U. S. Rubber Co	29	14½	25¼—Jan. 19	10 —June 3	18⅞	16½	17¾
" preferred	80	65	76⅛—Jan. 5	50 —July 20	67	63	65

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	Date.	OCTOBER SALES. High.	Low.	Total.
Ala. Midland 1st gold 6s	1928	2,800,000	M & N	92	Apr. 13,95	....	....	.....
Ann Arbor 1st g 4's	1995	7,000,000	Q J	81	Oct. 30,'95	82⅝	80½	67,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	109,957,500	A & O	86¼	Oct. 30,'97	87¼	85⅞	2,552,500
" registered		.....	A & O	.....		....	....	.....
" adjustment, g. 4's	1995	51,728,000	NOV	58½	Oct. 30,'97	60⅜	57¼	4,678,500
" registered		.....	NOV	.....		....	....	.....
" Equip. tr. ser. A. g. 5's	1902	1,250,000	J & J	.....		....	....	.....
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S	.....		....	....	.....
Atlan. av. of Brook'n imp. g. 5's	1934	1,500,000	J & J	82½	Feb. 8,'96	....	....	.....
Atlanta & Danville 1st g. 5's	1950	1,238,000	J & J	96¼	Sept.23,'97	....	....	.....
Atlan. & Pac. Western div. inc.	1910	10,454,000	A & O	¼	Oct. 29,'97	⅝	¼	29,000
" div. small	1910		A & O	10	Mar. 17,'93	....	....	.....
" Central div. inc.	1922	539,000	J & D	4⅛	Aug. 5,'95	....	....	.....
B. & O. 1st 6's (l'arkersburg br.)	1919	3,000,000	A & O	107⅛	Oct. 15,'97	107⅛	107	32,000
" 5's, gold	1885-1925	3,021,000	F&A	80	Oct. 9,'97	80½	80	13,000
" coupons off			F&A	.....		....	....	.....
" registered			F&A	83	July 30,'97	....	....	.....
" eng. ctfs of deposit		6,979,000	.....	82	Sept.17,'97	....	....	.....
B. & O. con. mtge. gold 5's	1988	11,988,000	F&A	90	May 27,'97	....	....	.....
" registered			F&A	107½	Mar. 7,'94	....	....	.....
Balti. Belt, 1st g. 5's int. gtd.,	1990	6,000,000	M & N	94	Apr. 26,'97	....	....	.....
W. Virginia & Pitts. 1st g. 5's	1990	4,000,000	A & O	111	Dec. 12,'95	....	....	.....
B & O. Southwest'n 1st g. 4½'s	1990	10,667,000	J & J	99	Oct. 8,'97	99	99	2,000
" 1st c. g. 4½'s	1993	10,511,000	J & J	60	June 9,'97	....	....	.....
" 1st inc. g. 5's "A"	2043	8,651,000	NOV	25	Aug.18,'94	....	....	.....
" "B"	2043	9,655,000	DEC	11	Feb. 8,'96	....	....	.....
B. & O. Sw. Term Co. gtd g 5's	1942	1,200,000	M & N	.....		....	....	.....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	104½	July 1,'02	....	....	.....
Cen. Ohio. Reorg. 1st c. g. 4½'s	1930	2,500,000	M & S	100	Oct. 22,'97	100	100	1,000
Ak. & Chic. Junc. 1st g. s. g. 5's	1930	1,500,000	M & N	102½	Nov. 21,'95	....	....	.....
" coupons off		.....	.....	.....		....	....	.....
Pittsb. & Connellsville 1st g. 4's	1946	2,536,000	J & J	103½	Oct. 8,'97	103½	103½	23,000
Broadway & 7th av. 1st con. g. 5's	1943	7,650,000	J&D	120	Oct. 19,'97	120	119⅜	17,000
" registered			J&D	112½	May 29,'95	....	....	.....
Brooklyn City 1st con. 5's	1941	4,373,000	J & J	115	Sept.13,'97	....	....	.....
Brooklyn E. Tr. Co. cfs 1st g. 6s's	1924	3,464,000	.....	82½	Oct. 27,'97	83	80	42,000
" Tr. Co. ctfs. 2d g. 5's	1915	1,246,000	.....	.....		....	....	.....
Seas. & B. B. Tr. Co. cfs. 1st g. g. 5's	1942	1,357,000	.....	76	Sept.14,'97	....	....	.....
Union Ele. Tr. Co. ctfs. 1st g. g. 6's	1937	6,124,000	.....	82	Oct. 28,'97	84	82	74,000
Brooklyn Rapid Transit g. 5's	1945	5,181,000	A & O	90	Oct. 30,'97	91⅝	87½	358,000
Brunswick & Western 1s g. 4's	1938	3,000,000	J & J	74	Sept. 1,'96	....	....	.....
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,407,000	M & S	100	Oct. 29,'97	100	100	21,000
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	126½	Oct. 28,'97	126½	125	11,000
" cons. 1st 6's	1922	3,020,000	J & D	122	Oct. 27,'97	122	121½	4,000
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	121¼	May 26,'96	....	....	.....
Buffalo & Susquehanna 1st g. 5's	1913	1,289,000	A & O	100	Feb. 27,'96	....	....	.....
" registered			A & O	.....		....	....	.....
Burlington, Cedar R. & N. 1st 5's	1906	6,500,000	J & D	108¼	Oct. 19,'97	108¼	107¾	30,000
" con. 1st & col. tst 5's	1934	6,425,000	A & O	106	Oct. 30,'97	106½	106	6,000
" registered			A & O	97	Feb. 9,'93	....	....	.....
Minneap's & St. Louis 1st 7's. g.	1927	150,000	J & D	140	Aug.24,'95	....	....	.....
Ced. Rap Ia. Falls & Nor. 1st 6's	1920	825,000	A & O	104¾	Apr. 24,'97	....	....	.....
" 1st 5's	1921	1,905,000	A & O	102½	Sept.20,'97	....	....	.....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest price and total sales for the month.

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NAME.	Principal Due	Amount.	Int'st Paid.	LAST SALE. Price.	Date.	OCTOBER SALES. High.	Low.	Total.
Canada Southern 1st int. gtd 5's	1908	13,920,000	J & J	109⅜	Oct. 28,'97	110	109½	95,000
" 2d mortg. 5's	1913	5,100,000	M & S	106½	Oct. 30,'97	107	106	20,000
" registered			M & S	106½	May 22,'97	....	....	.....
Col. & Cin. Midla'd. 1st. Ext. 4½'s	1939	2,000,000	J & J	92⅜	Aug.31,'97	....	....	.....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	92⅜	Oct. 29,'97	92⅛	92	7,000
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	115⅞	Oct. 21,'97	115⅞	115⅞	20,000
" registered $1,000 & $5,000			F & A	.....		....	....	.....
" con. g. 5's	1945	16,500,600	M & N	96½	Oct. 29,'97	94	93	65,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	.....		....	....	.....
" 1st. pref. inc. g. 5's	1945	4,000,000	OCT 1	40⅜	Oct. 28,'97	45	40⅛	187,000
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	13	Oct. 29,'97	16	12½	125,000
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	8	Oct. 28,'97	9¾	8	30,000
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	93	July 19,'97	....	....	.....
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	95½	July 15,'97	....	....	.....
" Mid. Ga. & Atl. div. g 5s.	1947	413,000	J & J	.....		....	....	.....
Central Railroad of New Jersey,								
" 1st consolidated 7's	1899	3,836,000	Q J	104⅝	Oct. 13,'97	104⅝	104⅝	7,000
" convertible 7's	1902	1,167,000	M & N	113¼	June 19,'97	....	....	.....
" deb. 6's	1908	466,000	M & N	110	Mar. 23,'97	....	....	.....
" gen. mtg. 5's	1987	41,804,000	J & J	113	Oct. 29,'97	113¼	112¼	132,000
" registered			Q J	111	Oct. 30,'97	111	109⅞	18,000
Lehigh & W.-B. con. assd. 7's	1900	5,500,000	Q M	101	Oct. 29,'97	101½	100	56,000
" mortgage 5's	1912	2,887,000	M & N	85	Oct. 22,'97	85	84½	4,000
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	114¼	Sept. 3,'97	....	....	.....
N. J. Southern int. gtd 6's	1899	411,000	J & J	104	Nov. 13,'96	....	....	.....
Central Pacific g 6's	1898	14,185,000	J & J	102¼	Oct. 30,'97	102½	101⅞	80,000
" ext g 5s series A B C D.	1898	.....	J & J	102	Oct. 28,'97	102	101¼	46,000
" Speyer & Co. cfs. dep. A.	1898	5,598,000	.....	.....		....	....	.....
" " " B C D.	1899	.....	.....	.....		....	....	.....
" ext g 5's series E	1898	.....	J & J	.....		....	....	.....
" Speyer & Co. cfs. dep. E.	1900	3,210,000	.....	.....		....	....	.....
" " " F G H I.	1901	.....	.....	.....		....	....	.....
" San Joaquin br. g 6's	1900	6,080,000	A & O	102½	June 19,'97	....	....	.....
" gtd. g 5's	1939	11,000,000	A & O	84½	Sept. 16,'96	....	....	.....
" land grant g 5's	1900	2,479,000	A & O	96½	May 3,'97	....	....	.....
" Cal. & O. div. ex. g. 7's	1918	4,358,000	J & J	107½	Nov. 27,'95	....	....	.....
Western Pacific bonds 6's	1899	2,735,000	J & J	102	Oct. 27,'97	103	101½	13,000
North. Ry. (Cal.) 1st g. 6's. gtd.	1907	3,964,000	J & J	101	Aug. 5,'95	....	....	.....
" 50 year m. gg. 5's	1938	4,800,000	A & O	89½	Oct. 28,'97	89½	88	111,000
Cent. Wash. Tr. Co. cts. 1st g. 6's	1938	1,497,000	.....	54	Apr. 21,'96	....	....	.....
Charleston & Sav. 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'96	....	....	.....
Ches. & Ohio pur. money fd.	1898	2,287,000	J & J	102½	Aug. 18,'97	....	....	.....
" 6's, g., Series A	1908	2,000,000	A & O	110⅛	Oct. 7,'97	116½	116½	1,000
" Mortgage gold 6's	1911	2,000,000	A & O	118	Oct. 20,'97	118	118	2,000
" 1st con. g. 5's	1939	23,571,000	M & N	112¾	Oct. 29,'97	113	111½	184,000
" registered			M & N	109½	Sept. 17,'97	....	....	.....
" Gen. m. g. 4½'s	1992	21,804,000	M & S	80	Oct. 30,'97	80½	79	465,000
" registered			M & S	85	Dec. 30,'93	....	....	.....
" (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	100½	Oct. 25,'97	102⅛	100½	25,000
" 2d con. g. 4's	1989	1,000,000	J & J	91	Oct. 11,'97	92	91	9,000
" Craig Val. 1st g. 5's	1940	650,000	J & J	97½	Oct. 6,'97	97½	97½	6,000
" Warm S. Val. 1st g. 5's	1941	400,000	M & S	98	Dec. 21,'93	....	....	.....
" Elz. Lex. & B. S. g. g. 5's	1902	3,007,000	M & S	100¼	Oct. 27,'97	103½	100¼	29,000
Ches. Ohio & S'thwestern m. 6's	1911	6,176,000	F & A	105⅝	Feb. 15,'95	....	....	.....
" 2d mtge. 6's	1911	2,895,000	F & A	48½	Sept. 10,'95	....	....	.....
Chicago & Alton s'king fund 6's	1903	1,882,000	J & J	113½	Sept. 28,'97	....	....	.....
Louisiana & Mo. Riv. 1st 7's	1900	1,785,000	F & A	109½	Oct. 8,'97	109½	109½	5,000
" 2d 7's	1900	300,000	M & N	112	June 17,'96	....	....	.....
St. Louis, J. & C. 2d gtd 7's	1898	188,000	J & J	104¾	Apr. 25,'97	....	....	.....
Miss. Riv. Bdge 1st s. f'd g. 6's	1912	547,000	A & O	105½	Oct. 30,'95	....	....	.....
Chicago Burl. & North. 1st 5's	1926	8,241,000	A & O	106	Sept. 28,'97	....	....	.....
Chicago, Burl. & Quincy con. 7's	1903	28,924,000	J & J	117	Oct. 28,'97	117	116¾	48,000
" 5's, sinking fund	1901	2,315,000	A & O	103	Oct. 5,'97	103	103	6,000
" 5's, debentures	1913	9,000,000	M & N	105	Oct. 30,'97	105	103	181,000
" convertible 5's	1903	15,263,900	M & S	107	Oct. 27,'97	108	106½	48,000
" (Iowa div.) sink. f'd 5's	1919	2,818,000	A & O	109	June 9,'97	....	....	.....
" 4's	1919	9,071,000	A & O	99½	Oct. 8,'97	99½	99½	1,000
" Denver div. 4's	1922	6,141,000	F & A	98	Oct. 27,'97	99	97½	20,000
" 4's	1921	3,300,000	M & S	88¼	Nov. 6,'93	....	....	.....
" Chic. & Iowa div. 5's	1905	2,320,000	F & A	107½	Jan. 18,'96	....	....	.....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME. Principal Due.	Amount.	Int's paid.	LAST SALE. Price.	Date.	OCTOBER SALES. High.	Low.	Total.
Nebraska extensi'n 4's, 1927	26,411,000	M & N	95¾	Oct. 30,'97	95¾	94¼	247,000
" registered		M & N	91	July 10,'97	....	....	.....
" Han. & St. Jos. con. 6's, 1911	8,000,000	M & S	120⅜	Oct. 27,'97	120⅜	118¼	27,000
Chicago & E. Ill. 1st s. f'd c'y. 6's. 1907	2,989,000	J & D	115	Apr. 15,'97	....	....	.....
" small bonds		J & D	112	Apr. 2,'96	....	....	.....
Chic. & E. Ill. 1st con. 6's, gold .. 1934	2,653,000	A & O	128	Sept. 29,'97	....	....	.....
" gen. con. 1st 5's	9,767,000	M & N	103	Oct. 29,'97	103	102	97,000
" registered		M & N	99½	May 14,'96	....	....	.....
Chicago & Ind. Coal 1st 5's	4,626,000	J & J	101½	Oct. 20,'97	101½	101½	2,000
Chicago, Indianapolis & Louisville.							
Louisv. N. Alb. & Chic. 1st 6's. 1910	3,000,000	J & J	114½	Oct. 21,'97	114¾	113	30,000
Chic. Ind. & Louisv. ref. g. 6's. 1947	3,509,000	J & J	95½	Oct. 28,'97	96	95	24,000
" refunding g. 5's	2,717,000	J & J	83	Sept. 21,'97	....	....	.....
Chicago, Milwaukee & St. Paul.							
Mil. & St. Paul 1st m. 8's P. D. . 1898	1,671,000	F & A	102½	Oct. 6,'97	102½	102½	20,000
" 2d 7 3-10 P. D.	513,000	F & A	140	Oct. 21,'97	140½	130	24,000
" 1st 7's $ gold, R. div. 1902	3,477,000	J&J	140	Oct. 21,'97	140	140	1,000
" 1st 7's £ 1902		J&J	120	Feb. 8,'94	....	....	.....
" 1st m. Iowa & D. 7's. 1899	417,000	J & J	130½	Oct. 16,'97	130½	130½	5,000
" 1st m. C. & M. 7's. 1903	2,348,000	J & J	139¾	Oct. 27,'97	139¾	139¼	60,000
Chicago Mil. & St. Paul con. 7's, 1905	11,172,000	J & J	139¼	Oct. 29,'97	140¼	139	10,000
" 1st 7's, Iowa & D. ex, 1908	3,436,000	J & J	140	Oct. 25,'97	140	140	5,000
" 1st 6's, Southw'n div., 1909	4,000,000	J & J	118	Sept. 9,'97	....	....	.....
" 1st 5's, La. C. & Dav. .1919	2,500,000	J & J	114¼	Sept. 15,'97	....	....	.....
" 1st So. Min. div. 6's. .1910	7,432,000	J & J	119¼	Oct. 21,'97	119¼	118	6,000
" 1st H'st & Dk. div. 7's, 1910	5,680,000	J & J	129½	Oct. 20,'97	130½	128¾	31,000
" 5's .1910	990,000	J & J	109	Oct. 5,'97	109	109	1,000
" Chic. & Pac. div. 6's, 1910	3,000,000	J & J	119	Oct. 15,'97	119	119	10,000
" 1st Chic. & P. W. 5's, 1921	25,340,000	J & J	115½	Oct. 30,'97	115½	115	67,000
" Chic. & M. R. div. 5's, 1926	3,083,000	J & J	113	Oct. 27,'97	113	112	22,000
" Mineral Point div. 5's, 1910	2,840,000	J & J	109½	Oct. 28,'97	109½	109½	1,000
" Chic. & Lake Sup. 5's, 1921	1,360,000	J & J	113	Aug. 4,'97	....	....	.....
" Wis. & Min. div. 5's. .1921	4,755,000	J & J	113	Sept. 23,'97	....	....	.....
" terminal 5's .1914	4,748,000	J & J	114	Oct. 27,'97	114	113	46,000
" Far. & So. 6's assu. .1924	1,250,000	J & J	118	Sept. 30,'94	....	....	.....
" cont. sl'k. f'd 5's. .1916	1,368,000	J & J	106½	July 9,'97	....	....	.....
" Dakota & Gt. S. 5's. .1916	2,856,000	J & J	111½	Oct. 8,'97	112	110¾	4,000
" g. m. g. 4's, series A. .1989	21,117,000	J & J	104	Oct. 30,'97	104	102¾	183,000
" registered		Q J	94½	Dec. 11,'95	....	....	.....
" Mil. & N. 1st M. L. 6's, 1910	2,155,000	J & D	121	Oct. 21,'97	121	120	17,000
" 1st convt. 6's .1913	5,092,000	J & D	120	Sept. 10,'97	....	....	.....
Chic. & Northwestern cons. 7's. .1915	12,771,000	Q F	144½	Oct. 29,'97	146	143	17,000
" coupon gold 7's .1902	12,336,000	J & D	118½	Oct. 30,'97	118½	117½	25,500
" registered d. gold 7's .1902		J & D	118½	Oct. 13,'97	118½	118½	30,000
" sinking fund 6's. 1879-1929	5,591,000	A & O	115	Oct. 27,'97	117½	115	6,000
" registered		A & O	117½	July 13,'97	....	....	.....
" 5's. 1879-1929	7,237,000	A & O	110¼	Oct. 29,'97	111	110	19,000
" registered		A & O	108½	Oct. 29,'97	108½	108½	2,000
" debenture 5's .1933	9,800,000	M & N	117	Oct. 1,'97	117	117	5,000
" registered		M & N	112¾	May 7,'97	....	....	.....
" 25 year deben. 5's. .1909	6,000,000	M & N	110	Oct. 28,'97	110	109¾	42,000
" registered		M & N	108¾	July 13,'97	....	....	.....
" 30 year deben. 5's. .1921	9,800,000	A & O	113	Oct. 19,'97	113¾	113	11,000
" registered		A & O	107	Nov. 20,'95	....	....	.....
" extension 4's. .1886-1926	18,632,000	F A 15	104¼	Oct. 28,'97	104¾	104½	15,000
" registered		F A 15	100	Nov. 10,'96	....	....	.....
Escanaba & L. Superior 1st 6's. .1901	720,000	J & J	107½	Nov. 28,'96	....	....	.....
Des Moines & Minn. 1st 7's. .1907	600,000	F & A	127	Apr. 8,'84	....	....	.....
Iowa Midland 1st mortg. 8's. .1900	1,350,000	A & O	116	July 9,'96	....	....	.....
Chic. & Milwaukee 1st mtg. 7's. .1898	1,700,000	J & J	103½	Sept. 27,'97	....	....	.....
Winona & St. Peters 2d 7's. .1907	1,592,000	M & N	127	Apr. 17,'96	....	....	.....
Milwaukee & Madison 1st 6's. .1905	1,600,000	M & S	108	Jan. 7,'96	....	....	.....
Ottumwa C. F. & St. P. 1st 5's. .1909	1,600,000	M & S	109	Oct. 4,'97	109	109	4,000
Northern Illinois 1st 5's. .1910	1,500,000	M & S	108	Sept. 30,'97	....	....	.....
Mil., Lake Shore & We'n 1st 6's, 1921	5,000,000	M & N	137	Oct. 28,'97	137	137	3,000
" con. deb. 5's .1907	436,000	F & A	105½	Feb. 24,'97	....	....	.....
" ext. & impt. s.f'd g. 5's 1929	4,148,000	F & A	116	Sept. 24,'97	....	....	.....
" Michigan div. 1st 6's. .1924	1,281,000	J & J	131½	Aug. 30,'97	....	....	.....
" Ashland div. 1st 6's. .1925	1,000,000	M & S	134	July 22,'97	....	....	.....
" income	500,000	M & N	110¼	July 2,'96	....	....	.....
Chic., Rock Is. & Pac. 6's coup. .1917	12,100,000	J & J	133	Oct. 30,'97	133	132	4,000
" 6's registered .1917		J & J	130¾	Apr. 30,'97	....	....	.....

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" exten. and collat. 5's	1934	40,381,000	J & J	106	Oct. 30,'97	106	105⅝	296,000
" registered			J & J	105½	Aug.23,'97	....	....	.....
" debenture 5's	1921	4,500,000	M & S	102	Oct. 29,'97	103	102	33,000
" registered			M & S	....	....	....	....	.....
Des Moines & Ft. Dodge 1st 4's	1905	1,200,000	J & J	85	Oct. 29,'97	85	85	2,000
" 1st 2½'s	1905	1,200,000	J & J	70	Sept.23,'97	....	....	.....
" extension 4 s		672,000	J & J	83	Mar. 15,'97	....	....	.....
Keokuk & Des M. 1st mor. 5's	1923	2,750,000	A & O	102½	Oct. 14,'97	104½	102½	21,000
" small bond	1923	.....	A & O	100	Apr. 15,'97	....	....	.....
Chic., St.P., Minn.& Oma.con. 6's	1930	13,413,000	J & D	133	Oct. 19,'97	133	133	5,000
Chic., St. Paul & Minn. 1st 6's	1918	3,000,000	M & N	131	Oct. 19,'97	132	131	10,500
North Wisconsin 1st mort. 6's	1930	800,000	J & J	125	May 4,'88	....	....	.....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	131	Sept.23,'97	....	....	.....
Chic., Term.Tr U.S.TrCo.cfs. of prop		23,667,000	.....	45¼	Oct. 29,'97	46⅞	43¾	440,000
Chic. & Wn. Ind. 1st s'k. f'd g. 6's	1919	1,062,000	M & N	106	June 22,'97	....	....	.....
" gen'l mortg. g. 6's	1932	9,652,666	Q M	119½	Oct. 28,'97	119½	118	12,000
Chic. & West Michigan R'y 5's	1921	5,753,000	J & D	98½	Mar. 13,'93	....	....	.....
" coupons off		.....	.....	....	....	....	....	.....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	996,000	A & O	119	Oct. 26,'96	119	119	3,000
" 2d g. 4½'s	1937	2,000,000	J & J	103½	Mar. 13,'97	....	....	.....
Cin., Day. & Ir'n 1st gtd. g. 5's	1941	3,500,000	M & N	112	Oct. 6,'97	112	111	4,000
City Sub. R'y, Balto. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	.....
Clev., Ak'n & Col. eq. and 2d g.6's	1930	730,000	F & A	....	....	....	....	.....
Clev. & Can.Tr.Co.ctfs. 1st 5's for.	1917	2,000,000	.....	70	Oct. 8,'97	70	70	11,000
Clev.,Cin.,Chic.& St.L. gen.m. 4's	1993	7,574,000	J & D	84	Oct. 14,'95	84	84	1,000
" do Cairo div. 1st g. 4's	1939	5,000,000	J & J	90	Sept.23,'97	....	....	.....
St. Louis div. 1st col. trust g.4's	1990	9,750,000	M & N	95½	Oct. 29,'97	96¼	95½	31,000
" registered				90	June 10,'96	....	....	.....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	87	Oct. 22,'95	....	....	.....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	83	Dec. 16,'95	....	....	.....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	89	Oct. 21,'97	89	89	3,000
Cin., Ind., St. L. & Chic. 1st g.4's	1936	7,685,000	Q F	102	Oct. 30,'97	102	101	4,000
" registered				95	Nov. 15,'94	....	....	.....
" con. 6's	1920	738,000	M & N	104	Mar. 29,'93	....	....	.....
Cin.,S'dusky&Clev.con.1st g.5's	1928	2,571,000	J & J	114	Oct. 7,'97	114	112	3,000
Ind. Bloom. & W., 1st pfd. 7's	1900	1,000,000	J & J	107¼	Feb. 19,'97	....	....	.....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....	....	....	....	.....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	78	Oct. 22,'97	78	75½	2,000
" income 4's	1990	4,000,000	A	21	Aug.26,'97	....	....	.....
Clev., C., C. & Ind. 1st 7's s'k. f'd.	1899	3,000,000	M & N	107¼	Oct. 6,'97	107¼	107¼	9,000
" consol mortg. 7's	1914	3,991,000	J & D	135	Oct. 26,'97	135	135	3,000
" sink. fund 7's	1914		J & D	119⅜	Nov. 19,'89	....	....	.....
" gen. consol 6's	1934	3,205,000	J & J	127¾	May 14,'97	....	....	.....
" registered			J & J	....	....	....	....	.....
Cin., Sp. 1st m. C.,C.,C.&Ind. 7's	1901	1,000,000	A & O	107½	Oct. 13,'97	107½	107½	2,000
Clev.,Lorain &Wheel'g con.1st 5's	1933	4,300,000	A & O	103	Aug.27,'97	....	....	.....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	103	Apr. 14,'97	....	....	.....
" registered			Q J	....	....	....	....	.....
Coeur d'Alene 1st g. 6's	1916	360,000	M & S	104	May 5,'92	....	....	.....
" gen. 1st g. 6's	1938	878,000	A & O	102	Jan. 2,'92	....	....	.....
Col.Midld Tr.Co.ctfs.1stg.6's asst.	1936	5,615,000	J & D	62⅛	Oct. 28,'97	64⅛	62⅛	27,000
" Tr.Co.cfs.cn.g.4'sstm gtd.	1940	988,000	F & A	10½	Oct. 14,'97	11½	10½	31,000
" " assented 2d inst. pd.		3,900,000	.....	15½	Oct .19,'97	15½	15½	5,000
Col'bus & Ninth Av. 1st gtd g. 5's	1909	3,000,000	M&S	118⅞	Oct. 26,'97	119½	117½	18,000
" registered			M&S	....	....	....	....	.....
Col., Hock. Val. & Tol. con. g. 5's	1931	406,000	M & S	74	Aug.10,'97	....	....	.....
" J. P. M. & Co. eng ctf. $45 pd.		7,694,000	.....	74	Oct. 27,'97	75	73	46,000
" gen. mort. g. 6's	1904	2,000,000	J & D	59	Aug.30,'97	....	....	.....
" gen. lien g. 4's	1996	852,000	J & J	....	....	....	....	.....
" registered, $5,000			J & J	....	....	....	....	.....
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	.....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	128	Apr. 14,'97	....	....	.....
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	125	Apr. 28,'97	....	....	.....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	145	Sept. 9,'97	....	....	.....
" bonds, 7's	1900	281,000	J & J	111¼	Oct. 4,'97	111¼	111¼	2,000
" 7's	1871-1901	4,991,000	A & O	111½	Oct. 7,'97	111½	111½	2,000
" 1st c. gtd 7's	1915	12,151,000	J & D	143	Oct. 11,'97	143¼	143¼	7,000
" registered			J & D	136	June 4,'93	....	....	.....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	138½	Oct. 12,'97	138½	138½	1,000
" const. 5's	1923	5,000,000	F & A	116	Sept.21,'97	....	....	.....
Warren 2d 7's	1900	750,000	A & O	113¼	Nov. 6,'95	....	....	.....

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Delaware & Hudson Canal.							
1st Penn. Div. c. 7's...1917	5,000,000	M & S	147½	Aug.31,'97	....	....	.....
" reg.....1917		M & S	143	May 4,'96	....	....	.....
Albany & Susq. 1st c. g. 7's.....1906	3,000,000	A & O	124½	Sept.22,'97	....	....	.....
" registered.....		A & O	123½	Feb. 12,'94	....	....	.....
" 6's.....1906	7,000,000	A & O	116¼	Oct. 9,'97	116¼	115½	37,000
" registered.....		A & O	116½	Mar. 22,'97	....	....	.....
Rens. & Saratoga 1st c. 7's.....1921	2,000,000	M & N	148¾	Aug.18,'97	....	....	.....
" 1st r 7's.....1921		M & N	146	Dec. 9,'96	....	....	.....
Denver Con. T'way Co. 1st g. 5's.1933	730,000	A & O	.....		....	....	.....
Denver T'way Co. con. g. 6's....1910	1,219,000	J & J	.....		....	....	.....
Metropol'n Ry Co. 1st g. g. 6's.1911	913,000	J & J	.....		....	....	.....
Denver & Rio G. 1st con. g. 4's...1936	28,465,000	J & J	83½	Oct. 30,'97	89¾	88⅛	66,000
" 1st mortg. g. 7's.....1900	6,382,500	M & N	111½	Oct. 28,'97	111½	111	48,000
" impt. m. g. 5's.....1928	8,103,500	J & D	87	Oct. 9,'97	87	87	1,000
Detroit, Mac. & Ma. 1d gt. 3½ S A..1911	3,024,000	A & O	18½	Oct. 20,'97	19⅞	18½	20,000
Detroit & Mack. 1st lien g. 4s.....1995	900,000	J & D	67	Mar. 24,'95	....	....	.....
" g. 4s.....1995	1,250,000	J & D	.....		....	....	.....
Duluth & Iron Range 1st 5's.....1937	6,332,000	A & O	103⅝	Oct. 16,'97	103¾	102½	71,000
" registered.....		A & O	101½	July 23,'89	....	....	.....
" 2d 1 m 6s.....1916	1,000,000	J & J	.....		....	....	.....
Duluth, Red Wing & S'n 1st g. 5's.1928	500,000	J & J	.....		....	....	.....
Duluth So. Shore & At. gold 5's..1937	4,000,000	J & J	103½	Oct. 29,'97	103½	103	4,000
Erie, 1st mortgage ex. 7's.....1897	2,482,000	M & S	113	Oct. 16,'97	113	111½	89,000
" 2d extended 5's.....1919	2,149,000	M & N	119	Oct. 5,'97	119	119	5,000
" 3d extended 4½'s.....1923	4,618,000	M & S	112¼	Oct. 5,'97	112¼	112¼	1,000
" 4th extended 5's.....1920	2,926,000	A & O	120½	Oct. 29,'97	120½	119	14,000
" 5th extended 4's.....1928	709,500	J & D	105¾	Oct. 29,'96	105¾	104	12,000
" 1st cons. gold 7's.....1920	16,890,000	M & S	143⅜	Oct. 25,'97	143	142	90,000
" 1st cons. fund c. 7's....1920	3,705,977	M & S	142	Nov. 8,'94	....	....	.....
Long Dock consol. 6's.....1953	7,500,000	A & O	135	Aug.17,'97	....	....	.....
Buffalo, N. Y. & Erie 1st 7's....1916	2,380,000	J & D	141	Sept.10,'97	....	....	.....
Buffalo & Southwestern m 6's..1908	1,500,000	J&J	.....		....	....	.....
" small.....		J&J	.....		....	....	.....
Jefferson R. R. 1st gtd g 5's....1909	2,800,000	A & O	104	Oct. 25,'97	104½	104	5,000
Chicago & Erie 1st gold 5's.....1982	12,000,000	M & N	112	Oct. 25,'97	112	111	22,000
N. Y. L. E. & W. Coal & R. R. Co. 1st g currency 6's.....1922	1,100,000	M&N	.....		....	....	.....
N. Y. L. E. & W. Dock & Imp. Co. 1st currency 6's.....1913	3,396,000	J&J	102	Aug. 31,'96	....	....	.....
N. Y. & Greenw'd Lake gt g 5's..1946	1,452,000	M&N	105½	Oct. 2,'97	105½	105½	3,000
" small.....							
Erie R.R. 1st con. g-4s prior bds...1996	30,000,000	J&J	91⅛	Oct. 29,'97	92	90	469,000
" " registered.....		J&J	.....		....	....	.....
" " gen. lien 3-4s.....1996	30,927,000	J&J	70	Oct. 30,'97	72	70¼	145,000
" " registered.....		J&J	.....		....	....	.....
Eureka Springs R'y 1st 6's, g.....1933	500,000	F & A	52	Feb. 10,'97	....	....	.....
Evans. & Terre Haute 1st con. 6's.1921	3,000,000	J & J	110	Sept.14,'97	....	....	.....
" 1st General g 5's.....1942	2,223,000	A & O	95	Sept.14,'94	....	....	.....
" Mount Vernon 1st 6's....1923	375,000	A & O	110	May 10,'93	....	....	.....
" Sul. Co. Bch. 1st g 5's...1930	450,000	A & O	95	Sep. 15,'91	....	....	.....
Evans. & Ind'p. 1st con. g g 6's....1926	1,591,000	J & J	112	Oct. 13,'97	112	111½	5,000
Flint & Pere Marquette m 6's....1920	3,999,000	A & O	110⅞	Oct. 30,'97	111	110⅞	30,000
" 1st con. gold 5's.....1939	2,100,000	M & N	90½	Oct. 23,'97	90½	89½	34,000
" Port Huron d 1st g 5's..1939	3,083,000	A & O	86	Sept.29,'97	....	....	.....
Florida Cen. & Penins. 1st g 5's...1918	3,000,000	J & J	108	Aug. 14,'96	....	....	.....
" 1st land grant ex. g 5's..1930	423,000	J & J	.....		....	....	.....
" 1st con. g 5's.....1943	4,370,000	J & J	80½	May 14,'96	....	....	.....
Ft. Smith U'n Dep. Co. 1st g 4½'s.1941	1,000,000	J & J	105¾	July 31,'97	....	....	.....
Ft. Worth & D. C. ctfs. dep. 1st 6's..1921	8,176,000	.....	70	Oct. 23,'97	73	67	80,000
Ft. Worth & Rio Grande 1st g 5's.1928	2,863,000	J & J	58½	Oct. 29,'97	58½	58½	10,000
Gal., Harrisburgh & S. A. 1st 6's.1910	4,756,000	F & A	106	Sept.25,'97	....	....	.....
" 2d mortgage 7's.....1905	1,000,000	J & D	100	Oct. 15,'97	100	100	1,000
" Mex. & Pac. div. 1st 5's, 1931	13,418,000	M & N	93	Oct. 29,'97	93	92	132,000
Geo. & Ala. Ry. 1st pref. g. 5's...1945	2,250,000	A & O	103	Aug.11,'97	....	....	.....
Ga. Car. & N. Ry. 1st gtd. g. 5's..1927	5,380,000	J & J	83	June 23,'97	....	....	.....
Housatonic R. con. m. g. 5's.....1937	2,838,000	M & N	125¼	Feb. 6,'97	....	....	.....
New Haven & Derby con. 5's....1918	575,000	M & N	115½	Oct. 15,'94	....	....	.....
Houston & Texas Central R. R.							
" 1st Waco & N. 7's.....1903	1,140,000	J & J	125	June 29,'92	....	....	.....
" 1st g. 5's (int. gtd).....1937	7,381,000	J & J	111¾	Oct. 29,'97	111¾	110	11,000
" Con. g. 6's (int. gtd)....1912	3,455,000	A & O	105	June 29,'97	....	....	.....
" Gen. g. 4's (int. gtd.)....1921	4,297,000	A & O	77	Oct. 30,'97	77	73½	148,000

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Illinois Central 1st g. 4's	1951	1,500,000	J&J	110	July 19,'97	....	....	.....
" registered			J&J	112½	July 13,'97	....	....	.....
" gold 3½'s	1951	2,499,000	J&J	104	June 4,'96	....	....	.....
" registered			J&J	97	Dec. 17,'95	....	....	.....
" gold 4's	1952	15,000,000	A & O	102	Oct. 22,'97	103	102	22,000
" gold 4's regist'd			A & O	102¼	Aug.25,'96	....	....	.....
" gold 4's	1953	24,679,000	M & N	101¼	Oct. 22,'97	101⅛	100¾	19,000
" gold 4's registered			M & N	....	....	....	....	.....
" 2-10 g. 4's	1904	4,806,000	J & J	99	Sept.29,'97	....	....	.....
" 2-10 g. 4's registered			J & J	....	....	....	....	.....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92½	July 13,'96	....	....	.....
" registered			M & S	....	....	....	....	.....
" West'n Line 1st g. 4's	1951	3,550,000	F & A	102½	Oct. 30,'97	104	102	43,000
" registered			F & A	....	....	....	....	.....
" Cairo Bridge 4's g	1950	3,000,000	J & D	101¼	Sept.10,'95	....	....	.....
" registered				....	....	....	....	.....
Springfield div. coupon 6's	1898	1,600,000	J & J	101¼	July 9, '97	....	....	.....
Middle div. registered 5's	1921	600,000	F & A	116½	Aug.16,'95	....	....	.....
Chic., St. L. & N. O. T. lien 7's	1897	539,000	M & N	102½	July 1,'97	....	....	.....
" 1st consol. 7's	1897	826,000	M & N	103	Oct. 7,'97	103	103	5,000
" gold 5's	1951	16,526,000	J D 15	122⅜	Oct. 14,'97	122⅜	122¼	11,000
" gold 5's, registered			J D 15	118¼	Apr. 1,'97	....	....	.....
" Memph. div. 1st g. 4's	1951	3,500,000	J & D	103⅜	July 28,'97	....	....	.....
" registered			J & D	....	....	....	....	.....
Bellev. & So. Ill. gtd g. 4½'s	1897	998,000	A & O	100	Dec. 9,'96	....	....	.....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	105	Sept. 9,'97	....	....	.....
Indiana, Ill. & Iowa 1st g. 4's	1939	800,000	J & D	86½	Oct. 27,'97	86½	86½	1,000
" 1st ext. g. 5's	1943	500,000	M & S	94¼	Nov.21,'95	....	....	.....
Internat. & Gt. N'n 1st. 6's, gold.	1919	7,954,000	M & N	120	Oct. 18,'97	120	119	3,500
" 2d g. 5's	1909	6,593,000	M & S	84	Oct. 5,'97	84	84	3,000
" 3d g. 4's	1921	2,712,500	M & S	43	Oct. 27,'97	45	43	31,000
Iowa Central 1st gold 5's	1938	6,322,000	J & D	97⅛	Oct. 29,'97	98	97	85,000
Kansas C. & M. R. & B. Co. 1st gtd g. 5's	1929	3,600,000	A & O	.....		....	....	.....
Kan.C.Pitt.&Gulf 1st & col. g. 5's	1923	19,706,000	A & O	79¾	Oct. 28,'97	80¼	77¼	212,000
Kings Co. El. series A. 1st g. 5's	1925	3,177,000	J & J	57	Oct. 29,'97	60½	57	20,000
Fulton El. 1st m. g. 5's series A.	1929	1,979,000	M & S	40	Oct. 27,'97	41½	40	13,000
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	116	Oct. 25,'97	116	116	1,000
" 2d mtge. g. 5's	1941	2,600,000	J & J	102¾	Oct. 20,'97	102¾	102	15,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	100	Oct. 20,'97	100	97½	20,000
Lake Shore & Mich. Southern.								
Buffalo & Erie new b. 7's	1898	2,276,000	A & O	101⅝	Oct. 27,'97	101⅝	101½	2,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	120½	Oct. 22,'97	120½	120½	3,000
Lake Shore division b. 7's	1899	1,134,500	A & O	104¼	Oct. 28,'97	104¼	104¼	4,500
" con. co. 1st 7's	1900	10,778,000	J&J	110¼	Oct. 28,'97	110¼	109⅞	29,000
" con. 1st registered	1900		Q J	108½	Oct. 28,'97	108⅝	108	26,000
" con. co. 2d 7's	1903	9,998,000	J&D	120½	Oct. 21,'97	120⅛	120¼	10,000
" con. 2d registered	1903		J&D	120½	Oct. 21,'97	120⅛	119½	19,000
" g 3½s	1997	22,433,000	J & D	104	Oct. 30,'97	104	103½	281,000
" " registered			J & D	103⅝	Oct. 5,'97	103⅝	103⅝	5,000
Cin. Sp. 1st gtd L. S. & M. S. 7's	1901	1,000,000	A & O	109	Oct. 16,'97	109	109	1,000
Kal., A. & G. R. 1st gtd g. 5's	1938	840,000	J & J	....	....	....	....	.....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	116	Nov.30,'96	....	....	.....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J&J	102	Oct. 29,'97	102	102	13,000
" registered		.....	J&J	.....		....	....	.....
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	112	Aug.25,'97	....	....	.....
" registered			A & O	109½	July 1,'97	....	....	.....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,280,000	J & J	96¼	Oct. 28,'97	96¼	96¼	5,000
" registered	1933		J & J	.....		....	....	.....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	90½	Sept.25,'97	....	....	.....
" registered			M&S	.....		....	....	.....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	.....		....	....	.....
" " " g. gtd 5's	1914	1,250,000	A & O	101	Sept.16,'97	....	....	.....
Lex. Av & Pav. Ferry 1st gtd g 5's	1993	5,000,000	M&S	119	Oct. 30,'97	119½	117¾	36,000
" registered			M&S	.....		....	....	.....
Litchfield Car'n & W. 1st g. 5's	1916	400,000	J & J	95	Feb. 25,'93	....	....	.....
Lit. Rock & M., tr. co. ctfs. for 1st g. 5's	1937	3,145,000	.....	25	Apr. 29,'96	....	....	.....
Long Island R. 1st mtg. 7's	1898	1,121,000	M & N	104¼	Oct. 12,'97	104¼	104	4,000
Long Island 1st cons. 5's	1931	3,610,000	Q J	117	Oct. 25,'97	117½	116	6,000

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Long Island gen. m. 4's	1938	3,000,000	J & D	88	Aug.23,'97	....	....	.....
" Ferry 1st g. 4½'s	1922	1,500,0 0	M & S	91	Oct. 21,'97	91	89	9,000
" g. 4's	1932	325,000	J & D	91	Sept.27,'97	....	....	.....
" deb. g. 5's	1934	1,500,000	J & D	100	May 25,'97	....	....	.....
N. Y. & Rock'y Beach 1st g. 5's	1927	984,000	M & S	40	Mar. 23,'96	....	....	.....
" 2d m. inc	1927	1,000,000	S	10 6⅛	July 9,'97	....	....	.....
N. Y. B'klyn & M. B. 1st c. g. 5's	1935	1,726,000	A & O	105	Oct. 4,'75	105	103	7,000
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	.....	.....	....	....	.....
" 1st 5's	1911	750,000	M & S	107½	July 16,'98	....	....	.....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,075,000	QJAN	108⅛	June 17,'95	....	....	.....
N. Y. B. Ex. R. 1st g. g'd 5's	1943	200,000	J & J	.....	.....	....	....	.....
Montauk Extens. gtd. g. 5's	1945	300,000	J & J	.....	.....	....	....	.....
Louisv'e Ev. & St. Louis								
" 1st con. Tr Co. ct. gold 5's	1939	3,406,000	J & J	36	Oct. 29,'97	38	36	31,000
" Gen. mtg. g. 4's	1943	2,432,000	M & S	9½	Aug.21,'97	....	....	.....
Louisville & Nashville cons. 7's	1898	7,070,000	A & O	101⅜	Oct. 28,'97	101½	101¼	24,000
" Cecilian branch 7's	1907	545,000	M & S	103	Oct. 2,'96	103	103	3,000
" N. O. & Mobile 1st 6's	1930	5,000,000	J & J	121	Oct. 25,'97	121	120½	12,000
" 2d 6's	1930	1,000,000	J & J	107	Oct. 8,'97	107	107	2,000
" E., Hend. & N. 1st 6's	1919	2,030,000	J & D	115	May 11,'97	....	....	.....
" general mort. 6's	1930	10,248,000	J & D	118	Oct. 28,'97	119	117½	51,000
" Pensacola div. 6's	1920	580,000	M & S	103½	Sept.24,'97	....	....	.....
" St. Louis div. 1st 6's	1921	3,500,000	M & S	121	July 12,'97	....	....	.....
" 2d 3's	1980	3,000,000	M & S	67	May 25,'95	....	....	.....
" Nash. & Dec. 1st 7's	1900	1,900,000	J & J	107½	Aug. 3,'97	....	....	.....
" So. N. Ala. si'g fd. 6s	1910	1,942,000	A & O	92¼	Sept.30,'96	....	....	.....
" 5% 50 year g. bonds	1937	1,764,000	M & N	101	Oct. 7,'97	101	101	5,000
" Unified gold 4's	1940	14,994,000	J & J	84⅝	Oct. 30,'97	84⅝	83	151,000
" registered	1940		J & J	83	Feb. 27,'93	....	....	.....
" Pen. & At. 1st 6's, g. g.	1921	2,833,000	F & A	103¼	Oct. 23,'97	104	103½	13,000
" collateral trust g. 5's	1931	5,129,000	M & N	103	Sept.17,'97	....	....	.....
" L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	103½	Sept.10,'97	....	....	.....
" N. Fla. & S. 1st g. g. 5's	1937	2,096,000	F & A	88	Oct. 29,'97	88	87¼	10,000
South & N. Ala. con. gtd. g. 5's	1936	3,873,000	F & A	93⅛	Oct. 19,'97	93⅛	93⅛	15,000
Kentucky Cent. g. 4's	1987	6,742,000	J & J	89	Oct. 27,'97	89	88½	12,000
L. & N. Louv. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	107	Jan. 20,'97	....	....	.....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	.....	.....	....	....	.....
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	100⅝	Sept. 9,'92	....	....	.....
Manhattan Railway Con. 4's	1990	24,065,000	A & O	93¼	Oct. 29,'97	94½	93	144,000
Manitoba Swn. Coloniza'n g. 5's	1934	2,544,000	J & D	.....	.....	....	....	.....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	.....	.....	....	....	.....
Memphis & Charlestown 6's, g.	1924	1,000,000	J & J	58	Jan. 7,'95	....	....	.....
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	118½	Oct. 29,'97	119	118	40,000
" 2d 6's	1899	4,000,000	M & N	106	Oct. 28,'97	106½	105½	15,000
" St. Ry. gen. col. tr. g. 5's	1997	12,500,000	F & A	109¾	Oct. 30,'97	110	109¾	110,000
Mexican Central.								
" con. mtge. 4's	1911	58,903,000	J & J	66	Aug.14,'97	....	....	.....
" 1st con. inc. 3's	1939	17,072,000	JULY	19	Jan. 20,'96	....	....	.....
" 2d 3's	1939	11,724,000	JULY	9	Jan. 30,'96	....	....	.....
Mexican International 1st g. 4's	1942	14,000,000	M & S	69	Mar. 10,'97	....	....	.....
Mexican Nat. 1st gold 6's	1927	11,416,000	J & D	90	Mar. 6,'95	....	....	.....
" 2d inc. 6's "A"	1917	12,265,000	M & S	42⅝	Nov. 12,'96	....	....	.....
" coup. stamped		.....	.....	.....	.....	....	....	.....
" 2d inc. 6's "B"	1917	12,265,000	A	13	July 9,'97	....	....	.....
Mexican Northern 1st g. 6's	1910	1,380,000	J & D	97	Feb. 11,'97	....	....	.....
" registered			J & D	.....	.....	....	....	.....
Michigan Cent. 1st con. 7's	1902	8,000,000	M & N	117	Oct. 22,'97	117½	117	2,000
" 1st con. 5's	1902	2,000,000	M & N	107¾	Oct. 21,'97	107½	107½	1,000
" 6's	1909	1,500,000	M & S	118	May 24,'96	....	....	.....
" coup. 5's	1931	3,576,000	M & S	120	Sept.16,'97	....	....	.....
" reg. 5's	1931		Q M	115	Apr. 29,'96	....	....	.....
" mort. 4's	1940	2,600,000	J & J	106	Sept.10,'97	....	....	.....
" mtge. 4's reg.			J & J	102	Jan. 20,'96	....	....	.....
Battle C. Sturgis 1st g. g. 6's	1989	476,000	J & D	.....	.....	....	....	.....

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NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	Date.	OCTOBER SALES. High.	Low.	Total.
Mil. Elec. R. & Light con. 30yr. g. 5's	1926	5,500,000	F & A	.....		....	....	.....
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	135½	Aug. 4,'97	....	....	.....
" 1st con. g. 5's	1934	5,000,000	M & N	107	Oct. 25,'97	107¼	105¼	52,000
" Iowa ext. 1st g. 7's	1909	1,015,000	J & D	123¾	Apl. 28,'97	....	....	.....
" Southw. ext. 1st g. 7's	1910	e30,000	J & D	129	May 16,'96	....	....	.....
" Pacific ext. 1st g. 6's	1921	1,382,000	J & A	121¼	Aug. 31,'97	....	....	.....
Minneapolis & Pacific 1st m. 5's	1936	3,208,000	J & J	102	Mar. 26,'87	....	....	.....
" stamped 4's pay. of int. gtd.				.....		....	....	.....
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,280,000	J & J	94	Apl. 2,'95	....	....	.....
" stamped pay. of int. gtd.				89¾	June 18,'91	....	....	.....
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	6,710,000	J & J	.....		....	....	.....
" stamped pay. of int. gtd.				.....		....	....	.....
Minn. St. R'y 1st con. g. 5's	1919	4,050,000	J & J	97	Dec. 18,'95	....	....	.....
Missouri, K. & T. 1st mtge g. 4's	1990	39,718,000	J & D	85¾	Oct. 30,'97	86½	85¼	638,500
" 2d mtge. g. 4's	1990	20,000,000	F & A	60	Oct. 30,'97	64½	58½	1,224,000
" 1st ext gold 5's	1944	998,000	M & N	85	Oct. 12,'96	85	85	11,000
" of Texas 1st gtd g. 5's	1942	2,685,000	M & S	81	Oct. 30,'97	81	80	45,000
" Kan. C. & P. 1st g. 4's	1990	2,500,000	F & A	67	Oct. 30,'97	67	67	2,000
" Dal. & Waco 1st g. g. 5's	1940	1,340,000	M & N	82¼	Oct. 20,'97	82¼	82¼	10,000
Booneville Bdg. Co. gtd. 7's	1906	599,000	M & N	.....		....	....	.....
Tebo. & Neosho 1st 7's	1908	187,000	J & D	.....		....	....	.....
Mo. Kan. & East'n 1st gtd. g. 5's	1942	4,000,000	A & O	93	Oct. 19,'97	95	93	15,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	94¼	Oct. 30,'97	94½	91¾	173,000
" 3d mortgage 7's	1906	3,828,000	M & N	110	Oct. 30,'97	110	109	8,000
" trusts gold 5's	1917	14,376,000	M & S	47	June 11,'97	....	....	.....
" registered			M & S	.....		....	....	.....
" 1st collateral gold 5's	1920	7,000,000	F & A	65	Oct. 13,'97	65	65	1,000
" registered		.....	F & A	.....		....	....	.....
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	101	Oct. 27,'97	101	100½	58,000
" 2d extended g. 5's	1938	2,573,000	F & A	106	Sept. 17,'97	....	....	.....
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S	.....		....	....	.....
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	.....		....	....	.....
St. L. & I'rn. Mt. 1st ex. 4½'s	1897	4,000,000	F & A	107	Oct. 12,'97	107	107	5,000
" Ark'nsas b'nch ext 5's	1895	2,500,000	J & D	105½	Oct. 19,'97	105½	105	12,000
" g. con. R.R. & l. gr. 5's	1931	18,345,000	A & O	85	Oct. 30,'97	87½	83	218,000
" stamped gtd gold 5's	1931	6,945,000	A & O	85	Oct. 16,'97	85	85	1,000
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	.....		....	....	.....
" small		226,000	J & J	.....		....	....	.....
" inc. g. 4's	1945	700,000	J & J	.....		....	....	.....
" small		500,000	.....	.....		....	....	.....
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	122	Oct. 11,'97	122½	122	7,000
" 1st extension 6's	1927	974,000	J & D	117	Oct. 19,'97	117	117	2,000
" gen. g. 4's	1938	9,450,500	Q J	72	Oct. 30,'97	72	70	121,500
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	86	Dec. 17,'95	....	....	.....
Morgan's La. & Texas 1st g. 6's	1920	1,494,000	J & J	111	July 21,'96	....	....	.....
" 1st 7's	1918	5,000,000	A & O	127½	Oct. 26,'97	127½	127½	10,000
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	132¼	Oct. 28,'97	132¼	129½	11,000
" 2d 6's	1901	1,000,000	J & J	101½	Apl. 14,'97	....	....	.....
" 1st cons. g. 5's	1928	5,594,000	A & O	103	Oct. 27,'97	103½	100½	34,000
" 1st 6's T. & Pb.	1917	300,000	J & J	.....		....	....	.....
" 1st 6's McM. M.W. & Al.	1917	750,000	J & J	108	Mar. 24,'96	....	....	.....
" 1st g. 6's Jasper Branch.	1923	371,000	J & J	.....		....	....	.....
O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108½	Aug. 13,'94	....	....	.....
N. Y. Cent. & Hud. R. 1st c. 7's	1903	30,000,000	J & J	117½	Oct. 23,'97	118¼	117½	59,000
" 1st registered	1903		J & J	117½	Oct. 28,'97	117½	117¼	105,000
" debenture 5's	1904	10,000,000	M & S	109	Oct. 28,'97	109½	109	16,000
" debenture 5's reg			M & S	111	July 21,'97	....	....	.....
" reg. deben. 5's	1889-1904	1,000,000	M & S	109½	Sept. 24,'97	....	....	.....
" debenture g. 4's	1905	15,000,000	J & D	104½	Oct. 25,'97	104½	104	10,000
" registered			J & D	103½	Oct. 19,'97	103½	103½	1,000
" deb. cert. ext. g. 4's	1905	6,450,000	M & N	104½	Sept. 24,'97	....	....	.....
" registered			M & N	104¼	Aug. 3,'97	....	....	.....
Harlem 1st mortgage 7's c	1900	12,000,000	M & N	111⅝	Oct. 9,'97	111⅝	111⅝	2,000
" 7's registered	1900		M & N	107	Oct. 27,'97	107	107	3,000
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	108	May 7,'97	....	....	.....
" reg. certificates			F & A	.....		....	....	.....

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West Shore 1st guaranteed 4's.....	50,000,000	J & J	109½	Oct. 30,'97	109½	107½	106,000
" registered.....		J & J	108¾	Oct. 29,'97	108¾	106¾	41,500
Beech Creek 1st. g. gtd. 4's.....1936	5,000,000	J & J	108	Sept.15,'97	....	....	.....
" registered		J & J	105½	June12,'96	....	....	.....
" 2d gtd. 5's.....1936	500,000	J & J	.....		....	....	.....
" registered	.....	J & J	.....		....	....	.....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd g. 4's ser. A. 1940	770,000	J & J	.....		....	....	.....
" small bonds series B.....	33,100	J & J	.....		....	....	.....
Gouv. & Oswega. 1st gtd g. 5's.1942	300,000	J & D	.....		....	....	.....
R. W. & Og. con. 1st ext. 5's...1922	9,081,000	A & O	119¼	Oct. 28,'97	119¼	119	13,000
Nor. & Montreal 1st g. gtd 5's..1916	130,000	A & O	.....		....	....	.....
R. W. & O. Ter. R. 1st g. gtd 5's.1918	375,000	M & N	.....		....	....	.....
Oswego & Rome 2d gtd gold 5's.1915	400,000	F & A	110	Oct. 16,'94	....	....	.....
Utica & Black River gtd g. 4's..1922	1,800,000	J & J	107½	Oct. 14,'97	107½	107½	6,000
Mohawk & Malone 1st gtd g. 4's.1991	2,500,000	M & S	100	Mar. 14,'94	....	....	.....
Carthage & Adiron 1st gtd g. 4's1981	1,100,000	J & D	.....		....	....	.....
N. Y. & Putnam 1st gtd g. 4's. .1993	4,000,000	A & O	103	May 22,'96	....	....	.....
N.Y., Chic. & St. Louis 1st g. 4's.1937	19,425,000	A & O	104	Oct. 30,'97	104⅜	103¾	78,000
" registered.....		A & O	105	Feb. 16,'97	....	....	.....
N. Y. & New England 1st 7's.....1905	6,000,000	J & J	123	June 16,'97	....	....	.....
" 1st 6's..... 1905	4,000,000	J & J	114	May 27,'97	....	....	.....
N. Y., N. Haven & H. 1st reg. 4's.1903	2,000,000	J & D	104½	Oct. 7,'97	104½	104½	1,000
" con. deb. receipts.....$1,000	15,007,500	A & O	139½	Oct. 28,'97	140	139½	59,000
" small certifs.....$100	1,430,000	.....	138	Oct. 29,'97	140	138	8,200
N. Y. & Northern 1st g. 5's.....1927	1,200,000	A & O	122½	Sept.24,'97	....	....	.....
N.Y., Ontario & W'n con. 1st g. 5's1939	5,600,000	J & D	109	Oct. 29,'97	109	108	36,500
" Refunding 1st g. 4's.....1992	8,375,000	M & S	96¼	Oct. 28,'97	97¼	96	73,000
" Registered .....$5,000 only.	.....	M & S	83⅜	Aug. 25,'92	....	....	.....
N. Y., Sus. & W. 1st refunded 5's.1937	3,750,000	J & J	106	Oct. 30,'97	106¼	105½	13,000
" 2d mortg. 4½'s.....1937	453,000	F & A	84	Oct. 7,'97	84	84	5,000
" gen. g. 5's.....1940	2,547,000	F & A	87	Oct. 14,'97	88½	87	20,000
" term. 1st mtg. g. 5's. 1843	2,000,000	M & N	108½	Oct. 6,'97	108¾	108½	6,000
" registered.....$5,000		M & N	.....		....	....	.....
Wilkesb. & East. 1st grtd g. 5's. .1942	3,000,000	J & D	96⅞	Sept.17,'97	....	....	.....
Midland R. of N. Jersey 1st 6's.1910	3,500,000	A & O	117	Oct. 18,'97	117	117	1,000
N.Y., Texas & Mexico g. 1st 4's..1912	1,442,500	A & O	.....		....	....	.....
N.P. 1st m.R.R.&L.G.S.F.g.c.6's..1921	13,096,000	J & J	120	Oct. 30,'97	121	119⅝	366,000
" registered.....		J & J	120	Oct. 29,'97	121	119½	776,000
St. Paul & N. Pacific gen 6's....1923	7,985,000	F & A	128	Oct. 29,'97	128	128	2,000
" registered certificates....		Q F	128½	Oct. 5,'97	128½	128½	5,000
N. P. Ry prior ln reg.&ld.grt.g.4's.1997	77,796,500	Q J	90⅝	Oct. 30,'97	91¼	90	1,505,500
" registered.....		Q J	90¼	Oct. 28,'97	91¼	90¼	2,500
" gen. lien g. 3's.....2047	56,000,000	Q F	59	Oct. 29,'97	60⅜	58¾	1,897,500
" registered.....		Q F	.....		....	....	.....
Nor. Pacific Term. Co. 1st g. 6's..1933	3,980,000	J & J	104	Oct. 29,'97	107	103	62,000
Norfolk & Southern 1st g. 5's....1941	750,000	M & N	108	June 26,'97	....	....	.....
Norfolk & Western gen. mtg. 6's.1931	7,283,000	M & N	122	Sept.27,'97	....	....	.....
" New River 1st 6's.....1932	2,000,000	A & O	120½	Oct. 29,'97	120½	120½	5,000
" imp'ment and ext. 6's...1934	5,000,000	F & A	97	Feb. 19,'94	....	....	.....
" coupons off.....	.....	.....	.....		....	....	.....
" Sci'o Val & N.E. 1st g.4's.1989	5,000,000	J & N	85	Oct. 30,'97	85	84	77,000
" C. C. & T. 1st g. t. g g 5's1922	600,000	J & J	101	Feb. 23,'97	....	....	.....
Norfolk & West. Ry 1st con. g. 4s.1996	23,199,400	A & O	76½	Oct. 27,'97	77½	75	280,500
" registered.....		A & O	.....		....	....	.....
" small bonds.....		A & O	.....		....	....	.....
Ogdb'g & L. Chapl. 1st con. 6's...1920	3,500,000	A & O	49	Apr. 13,'96	....	....	.....

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Ogdensburg & Lake Chapl. inc.	1920	800,000	O	.....		....	....	.....
" inc.	small	200,000	O	82	Feb. 26,'87	....	....	.....
Ohio & Miss. con. skg. fund 7's	1898	3,435,000	J & J	102¾	Oct. 19,'97	102¾	102¾	1,000
" consolidated 7's	1898	3,056,000	J & J	102¼	Oct. 7,'97	102¼	102¼	4,000
" 2d consolidated 7's	1911	2,952,000	A & O	120	June 21,'97	....	....	.....
" 1st Springf'd d. 7's	1905	1,984,000	M & N	102½	Sept. 30,'97	....	....	.....
" 1st general 5's	1932	405,000	J & D	98	Apr. 2,'92	....	....	.....
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	102¼	Oct. 21,'97	102¼	102¼	1,000
" gen. mortg. g 6's	1937	2,428,000	A & O	85	Dec. 16,'96	....	....	.....
Ohio Southern 1st mortg. 6's	1921	3,924,000	J & D	86	Aug. 19,'97	....	....	.....
" gen. mortg. g 4's	1921	1,543,000	M & N	18	Sept. 17,'97	....	....	.....
" gen. eng. Trust Co. certs.		1,255,000	.....	9	July 16,'97	....	....	.....
Omaha & St. Lo. Tr Co. cts. 1st 4's	1937	2,717,000	.....	59¾	Oct. 28,'97	59¾	58	12,000
Oregon & California 1st g 5's	1927	18,842,000	J & J	72½	June 11,'97	....	....	.....
Oregon Improvement Co. 1st 6's	1910	254,000	J & D	108	Sept. 21,'97	....	....	.....
" eng. Tr. Co. ctfs. of dep.		3,717,000	.....	103	Oct. 28,'97	103½	99½	157,000
" " stamped int. paid		.....	.....	.....		....	....	.....
" con. mortg. g 5's	1939	652,000	A & O	32½	Aug. 24,'97	....	....	.....
" Trust Co. reor cts 2d ins pd.		5,897,000	.....	40½	Oct. 28,'97	43	40	546,000
Oregon Ry. & Nav. 1st s. f. g. 6's	1909	4,451,000	J & J	111¾	Oct. 28,'97	112¼	111¾	12,000
Oregon R. R. & Nav. Co. con. g 4's	1946	15,174,000	J & D	92¼	Oct. 30,'97	92⅝	90½	407,000
Oregon Short Line 1st g. 6's	1922	13,651,000	F & A	119½	Oct. 30,'97	119½	116	452,000
Utah & Northern 1st 7's	1908	1,031,000	J & J	118½	Aug. 5,'97	....	....	.....
" g. 5's	1926	1,877,000	J & J	102	May 24,'94	....	....	.....
Oreg. Short Line 1st con. g. 5's	1946	10,068,368	J & J	92½	Oct. 29,'97	92¾	90	760,500
" non-cum. inc. A 5's	1946	7,096,000	SEPT.	55½	Oct. 28,'97	58½	55¼	225,000
" non-cum. inc. B. & col. trust		14,018,000	OCT.	39	Oct. 11,'97	39	37½	4,000
Panama s. f. subsidy g 6's	1910	1,782,000	M & N	101½	Dec. 21,'91	....	....	.....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	114¼	Oct. 27,'97	114¼	113¾	12,000
" reg	1921		J & J	112	Aug. 17,'97	....	....	.....
Pitts., C. C. & St. Louis con. g 4½'s								
" Series A	1940	10,000,000	A & O	109	Oct. 21,'97	109	108½	3,000
" Series B	1942	10,000,000	A & O	111¼	Aug. 24,'97	....	....	.....
" Series C	1942	2,000,000	M & N	105	Jan. 16,'97	....	....	.....
" Series D gtd. 4's	1945	4,863,000	M & N	102	Oct. 9,'97	102	102	5,000
Pitts., C. & St. Louis 1st c. 7's	1900	6,863,000	F & A	111¼	July 2,'97	....	....	.....
" 1st reg. 7's	1900		F & A	109¼	Apr. 23,'97	....	....	.....
Pitts., Ft. Wayne & C. 1st 7's	1912	2,917,000	J & J	142	Oct. 4,'97	142	142	1,000
" 2d 7's	1912	2,546,000	J & J	139	Oct. 23,'97	139	139	500
" 3d 7's	1912	2,000,000	A & O	126	Aug. 26,'95	....	....	.....
Chic., St. Louis, & P. 1st c. 5's	1932	1,506,000	A & O	113	May 14,'96	....	....	.....
" registered		.....	A & O	110	May 3,'92	....	....	.....
Cleve. & Pitts. con. s. fund 7's	1900	1,305,000	M & N	111½	Sept. 30,'97	....	....	.....
" Series A	1942	3,000,000	J & J	113	Apr. 18,'95	....	....	.....
" 4½ Series B	1942	1,561,000	A & O	.....		....	....	.....
St. Louis, V. & T. H. 2d 7's	1898	1,000,000	M & N	102	June 18,'96	....	....	.....
" 2d gtd. 7's	1898	1,600,000	M & N	100	Nov. 25,'96	....	....	.....
G. R. & Ind. Ex. 1st gtd. g 4½ g	1941	4,333,000	J & J	107	May 18,'96	....	....	.....
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S	.....		....	....	.....
Newp. & Cin. Bge Co. gtd g. 4's	1945	1,400,000	J & J	.....		....	....	.....
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	.....	108	May 12,'97	....	....	.....
con. sterling gold 6 per cent	1905	22,762,000	J & D	.....		....	....	.....
con. currency, 6's registered	1905	4,718,000	Q M 15	.....		....	....	.....
con. gold 5 per cent	1919	4,998,000	M & S	.....		....	....	.....
" registered			Q Mch	.....		....	....	.....
con. gold 4 per cent	1943	3,000,000	M & N	.....		....	....	.....
con. Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	111	July 8,'97	....	....	.....
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	114¼	Oct. 22,'97	114¼	114¼	1,000
Del. R. RR. & Bge Co 1st gtd g. 4's	1936	1,300,000	F & A	.....		....	....	.....
Peoria, Dec. & Evansville 1st 6's	1920	586,000	J & J	103	Oct. 28,'97	103	102	27,000
" eng. Trust Co. ctfs.		701,000	.....	97½	Oct. 29,'97	97½	97½	2,000
" Evansville div. 1st 6's	1920	633,000	M & S	102¾	Oct. 29,'97	103	101	60,000
" eng. Trust Co. ctfs.		837,000	.....	.....		....	....	.....
" Tr. Co. ctfs. 2d mort 5's	1926	1,846,000	M & N	13	Oct. 12,'97	14	13	11,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME.	*Principal Due.*	*Amount.*	*Int's. Paid*	LAST SALE. *Price*	*Date.*	OCTOBER SALES. *High.*	*Low.*	*Total.*
Peoria & Pekin Union 1st 6's	1921	1,500,000	Q F	112	Mar. 8,'97	....	....	.....
" 2d m 4½'s	1921	1,499,000	M & N	89	Oct. 20,'97	90	99	36,000
Pine Creek Railway 6's	1932	3,500,000	J & D	123½	Oct. 20,'98	....	....	.....
Pittsburg, Clev. & Toledo 1st 6's	1922	2,400,000	A & O	108½	Apr. 5,'98	....	....	.....
Pittsburg, Junction 1st 6's	1922	1,440,000	J & J	124	Mar. 12,'96	....	....	.....
Pittsburg & L. E. 2d g. 5's ser. A	1928	2,000,000	A & O	112	Mar. 25,'98	....	....	.....
Pittsburg, McK'port & Y. 1st 6's	1932	2,250,000	J & J	117	May 31,'89	....	....	.....
" 2d g. 6's	1934	900,000	J & J	.....		....	....	.....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	.....		....	....	.....
Pittsburg, Pains. & Fpt. 1st g. 5's	1916	1,000,000	J & J	95½	Apr. 2,'95	....	....	.....
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	104½	Oct. 27,'97	104½	102½	53,000
" 1st cons. 5's	1943	786,000	J & J	98	July 14,'97	....	....	.....
Pittsburg & West'n 1st gold 4's	1917	9,700,000	J & J	77½	Oct. 29,'97	78¼	77½	11,000
" Mort. g. 5's	1891-1941	3,500,000	M & N	33½	Mar. 1,'97	....	....	.....
Pittsburg, Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	.....		....	....	.....
Reading Co. gen. g. 4's	1997	58,668,000	J & J	84½	Oct. 30,'97	85	83¾	682,000
" registered			J & J	.....		....	....	.....
Rio Grande West'n 1st g. 4's	1939	15,200,000	J & J	81¾	Oct. 30,'97	82¼	80½	237,000
Rio Grande Junc'n 1st gtd. g. 5's	1939	1,850,000	J & D	90	Oct. 21,'97	90	90	9,000
Rio Grande Southern 1st g. 3-4	1940	4,510,000	J & J	63½	Jan. 15,'97	....	....	.....
Salt Lake City 1st g. sink fu'd 6's	1913	297,000	J & J	.....		....	....	.....
St. Jo. & Gr. Isl. 1st g. 2.342	1947	3,500,000	J & J	67¼	Oct. 25,'97	67⅜	67	38,500
St. Louis, A. & T. H. 1st 2T. g. 5's	1914	2,200,000	J & D	105½	Aug. 27,'97	....	....	.....
" registered			J & D	.....		....	....	.....
Belleville & Carodt 1st 6's	1923	485,000	J & D	115	June 22,'96	....	....	.....
Chic., St. L. & Pad 1st gd. g. 5's	1917	1,000,000	M & S	106	July 1,'97	....	....	.....
St. Louis, South. 1st gtd. g. 4's	1931	550,000	M & S	70½	May 28,'96	....	....	.....
" 2d inc. 5's	1931	126,000	M & S	72½	Nov. 25,'91	....	....	.....
" 1st con. 5's	1939	399,000	M & S	.....		....	....	.....
Carbond'e & Shawt'n 1st g. 4's	1932	250,000	M & S	.....		....	....	.....
St. Louis & San F. 2d 6's, Class A	1906	500,000	M & N	115	June 12,'97	....	....	.....
" 2d g. 6's, Class B	1906	2,766,500	M & N	116½	Oct. 18,'97	116½	116¾	5,000
" 2d g. 6's, Class C	1906	2,400,000	M & N	115¾	Oct. 11,'97	115¾	115¾	1,000
" 1st g. 6's P. C. & O	1919	1,035,000	F & A	118	May 23,'92	....	....	.....
" gen. g. 6's	1931	7,807,000	J & J	116	Oct. 27,'97	116	114¼	159,000
" gen. g. 5's	1931	12,293,000	J & J	101¼	Oct. 29,'97	101¼	100⅜	171,000
" 1st Trust g. 5's	1987	1,099,000	A & O	92¾	Sept.17,'97	....	....	.....
Ft. Smith & Van B. Bdg. 1st 6's	1910	319,000	A & O	105	Oct. 4,'96	105	105	2,000
Kansas, Midland 1st g. 4's	1937	1,608,000	J & D	.....		....	....	.....
St. Louis & San F. R. R. g. 4's	1906	6,388,000	J & D	70¾	Oct. 29,'97	71½	70	139,000
St. Louis S. W. 1st g. 4's Bd. ctfs.	1989	20,000,000	M & N	72½	Oct. 15,'97	74	72½	58,000
" 2d g. 4's inc. Bd. ctfs.	1989	8,000,000	J & J	27	Oct. 27,'97	29½	26¾	37,000
St. Paul City Ry. Cable con. g. 5's	1937	2,480,000	J&J15	91	Feb. 27,'97	....	....	.....
" gtd. gold 5's	1937	1,138,000	J & J	90	Mar. 20,'96	....	....	.....
St. Paul & Duluth 1st 5's	1913	1,000,000	F & A	114	Aug.24,'94	....	....	.....
" 2d 5's	1917	2,000 000	A & O	105	Sept.14,'97	....	....	.....
St. Paul, Minn. & Manito'a 2d 6's	1909	8,000,000	A & O	123½	July 15,'97	....	....	.....
" Dakota ext'n 6's	1910	5,676,000	M & N	120	Sept.24,'97	....	....	.....
" 1st con. 6's	1933	13,344,000	J & J	128	Oct. 22,'97	128	128	1,000
" 1st con. 6's, registered			J & J	120	Aug.19,'95	....	....	.....
" 1st c. 6's, red'd to 4½'s		21,248,000	J & J	106¾	Oct. 21,'97	106¾	106	29,000
" 1st cons. 6's register'd			J & J	105	Nov. 4,'95	....	....	.....
" Mont. ext'n 1st g. 4's	1937	7,805,000	J & D	94½	Sept.17,'97	....	....	.....
" registered			J & D	89½	Apr. 23,'97	....	....	.....
Minneapolis Union 1st 6's	1922	2,150,000	J & J	126	Sept.10,'97	....	....	.....
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	123¼	Oct. 27,'97	123½	123½	3,500
" 1st 6's, registered			J & J	115	Apr. 24,'97	....	....	.....
" 1st g. g. 5's	1937	2,700,000	J & J	108¼	Oct. 15,'97	106½	105	11,000
" registered			J & J	.....		....	....	.....
Eastern Minn. 1st d. 1st g. 5's	1908	4,700,000	A & O	106	Oct. 23,'97	106	106	1,000
" registered			A & O	.....		....	....	.....
Willmar & Sioux Falls 1st g. 5's	1938	3,625,000	J & D	107¾	Aug. 6,'97	....	....	.....
" registered			J & J	.....		....	....	.....
San Ant. & Ara. Pass 1st g. g. 4's	1943	18,886,000	J & J	60	Oct. 30,'97	61¼	59⅛	291,000

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NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	Date.	OCTOBER SALES. High.	Low.	Total.
San Fran. & N. Pac. 1st s. f. g. 5's,	1919	3,872,000	J & J	100½	Oct. 20,'97	100½	100½	1,000
Sav. Florida & Wn. 1st c. g. 6's	1934	4,056,000	A & O	108⅝	Aug. 2,'97	....	....	.....
" 1st g. 5's	1934	1,780,000	A & O	104½	Oct. 18,'97	104½	104½	3,000
Seaboard & Roanoke 1st 5's	1926	2,500,000	J & J	98	Apr. 18,'96	....	....	.....
Seat L.S.&E.Tr.Co.cts.1st gtg.6's	1931	4,991,000	F & A	40	Aug.27,'97	....	....	.....
" assessment paid			F & A	43½	Apr. 28,'96	....	....	.....
Sodus Bay & Sout'n 1st 5's, gold,	1924	500,000	J & J	105	Sept. 4,'86	....	....	.....
South Caro'a & Georgia 1st g. 5's,	1919	5,250,000	M & N	94½	Oct. 30,'97	95	93	27,000
South'n Pac. of Ariz. 1st 6's	1909-1910	10,000,000	J & J	100½	Oct. 29,'97	101	95	166,000
South. Pac. of Cal. 1st g 6's	1905-12	30,577,500	A & O	106½	Oct. 19,'97	106½	105⅛	7,000
" 1st con. gtd. g 5's	1937	19,095,000	M & N	91¾	Oct. 29,'97	92	90	127,000
Austin & Northw'n 1st g 5's	1941	1,920,000	J & J	84¼	Oct. 30,'97	84¼	83	132,000
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	.....		....	....	.....
So. Pacific of N. Mex. c. 1st 6's	1911	4,180,000	J & J	107	Oct. 28,'97	107	106¼	135,000
Southern Railway 1st con. g 5's	1994	26,962,000	J & J	91½	Oct. 29,'97	93¾	91⅛	16,000
" registered			J & J	.....		....	....	.....
East Tenn. reorg. lien g 4's	1938	4,500,000	M & S	91½	Sept.30,'97	....	....	.....
" registered			M & S	.....		....	....	.....
Alabama Central, 1st 6's	1918	1,000,000	J & J	112¼	Aug.17,'97	....	....	.....
Atl. & Char. Air Line, income	1900	750,000	A & O	104	May 24,'95	....	....	.....
Col. & Greenville, 1st 5-6's	1916	2,000,000	J & J	115½	Aug.26,'97	....	....	.....
East Tenn., Va. & Ga. 1st 7's	1900	3,123,000	J & J	108¾	Oct. 18,'97	108¾	108¾	1,000
" divisional g 5's	1930	3,106,000	J & J	115	Oct. 21,'97	116	115	10,000
" con. 1st g 5's	1956	12,770,000	M & N	111	Oct. 27,'97	111	110⅝	51,000
Ga. Pacific Ry. 1st g 5-6's	1922	5,660,000	J & J	119¾	Oct. 28,'97	119¾	118	10,000
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	113	Sept. 9,'97	....	....	.....
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	123	Oct. 16,'97	123	123	2,000
" equip. sink. f'd g 5's	1909	940,000	M & S	100	Jan. 14,'97	....	....	.....
" deb. 5's stamped	1927	3,368,000	A & O	100	Oct. 19,'97	100	100	10,000
Vir. Midland serial ser. A 6's	1906	600,000	M & S	.....		....	....	.....
" small			M & S	.....		....	....	.....
" ser. B 6's	1911	1,900,000	M & S	.....		....	....	.....
" small			M & S	.....		....	....	.....
" ser. C 6's	1916	1,100,000	M & S	.....		....	....	.....
" small			M & S	.....		....	....	.....
" ser. D 4-5's	1921	950,000	M & S	.....		....	....	.....
" small			M & S	.....		....	....	.....
" ser. E 5's	1926	1,775,000	M & S	.....		....	....	.....
" small			M & S	.....		....	....	.....
" ser. F 5's	1931	1,310,000	M & S	.....		....	....	.....
Virginia Midland gen. 5's	1936	2,302,000	M & N	104	Oct. 27,'97	104½	103½	18,000
" gen.5's. gtd. stamped	1926	2,466,000	M & N	103½	Sept.30,'97	....	....	.....
W. O. & W. 1st cy. gtd. 4's	1924	1,025,000	F & A	84	Aug.10,'97	....	....	.....
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	114	Oct. 7,'97	114	114	2,000
Staten Island Ry 1st gtd. g 4½'s	1943	500,000	J & D	.....		....	....	.....
Sunbury & Lewiston 1st g. 4's	1936	500,000	J & J	.....		....	....	.....
Ter. R. R. Assn. St. Louis 1g 4½'s	1939	7,000,000	A & O	111½	Sept.28,'97	....	....	.....
" 1st con. g. 5's	1894-1944	4,500,000	F & A	107⅛	Oct. 29,'97	107⅛	106⅛	24,000
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	103	Oct. 27,'96	103	103	5,000
Terre Haute Elec. Ry. gen. g 6's	1914	444,000	Q JAN	105⅝	Dec. 18,'95	....	....	.....
Texas & New Orleans 1st 7's	1905	1,620,000	F & A	111	Mar. 1,'97	....	....	.....
" Sabine d. 1st 6's	1912	2,575,000	M & S	108	June12,'96	....	....	.....
" con. m. g 5's	1943	1,620,000	F & A	97¼	Oct. 30,'97	97¼	95½	104,000
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th	1905	3,784,000	M & S	105¼	Sept.16,'97	....	....	.....
" 1st gold 5's	2000	21,049,000	J & D	96	Oct. 30,'97	96	95	195,000
" 2d gold income, 5's	2000	23,227,000	MAR.	28	Oct. 30,'97	30¼	25¾	2,159,000
Third Avenue 1st g 5's	1937	5,000,000	J & J	123	Oct. 20,'97	123	123	10,000
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	104	Oct. 23,'97	104	101¼	5,000
" 1st M. g 5's West. div.	1935	2,500,000	A & O	104	Sept.16,'97	....	....	.....
" gen. g. 5's	1935	1,500,000	J & D	.....		....	....	.....
" Kanaw & M. 1st g. g. 4's	1990	2,340,000	A & O	80	Sept.25,'97	....	....	.....
Toledo, Peoria & W. 1st g 4's	1917	4,800,000	J & D	72	Sept.30,'97	....	....	.....
Tol., St.L.&K.C. Tr. Rec. 1st g 6's	1916	8,234,000	M & N	82½	Oct. 30,'97	86	82½	71,000

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NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	*Date.*	OCTOBER SALES. *High.*	*Low.*	*Total.*
Ulster & Delaware 1st c. g 5's....1928	1,852,000	J & D	101	Oct. 28,'97	101	100½	7,000
Union Pacific 1st g. 6's.....1896		J & J	102	Oct. 6,'97	102	102	13,000
" g. 6's.....1897	11,604,000	J & J	102	Oct. 18,'97	102	102	6,000
" g. 6's.....1898		J & J	102¼	Oct. 30,'97	102¼	101¾	22,000
" g. 6's.....1899		J & J	102	Sept.30,'97	....	....	.....
" g. 6's Tr.Co.cfs.ex mat cps 1896.....	.....		111½	Oct. 29,'97	117	111½	112,000
" g.6's Tr.Co. cfs.ex mat cps 1897.....	15,685,000	.....	114	Oct. 22,'97	114¾	114	5,000
" g.6's Tr.Co. cfs. ex mat cps 1898.....		.....	114½	Oct. 27,'97	116	113½	98,000
" g. 6's Tr.Co. cfs.ex mat cps 1899.....	.....	.....	114½	Oct. 22,'97	115½	114½	12,000
" collat. trust 6's.....	3,983,000	J & J	102	Oct. 5,'97	102	102	2,000
" col. trust g. 5's.....1907	4,970,030	J & D	83	Aug.31,'97	....	....	.....
" col. Tr.Co. cts.g. 4½'s.1918	2,000,000	M & N	47½	Oct. 29,'97	47½	47½	6,000
" collat. Tr. 6's g. notes.1902	8,150,000	F & A	103	Sept.15,'97	....	....	.....
" col.Tr. 6's g.nts. 62½ p.pd.	.....	.....	41¼	Oct. 29,'97	42	40½	1,963,000
Tr. Co. ctfs. Ext. sink'g f'd g 8's.1899	1,391,000	M & S	111	Oct. 29,'97	118	110	384,000
Kansas Pacific 1st 6's.....1895	1,436,000	F & A	111¼	June 7,'97	.....	.....	.....
" eng.Tr.Co. cfs. ex mat cps	805,000	.....	110½	Oct. 28,'97	110½	110½	35,000
" 1st 6's.....1896	1,990,000	J & D	114	Sept.29,'97	....	....	.....
" eng.Tr.Co. cfs. ex mat cps	2,073,000	.....	111½	Oct. 23,'97	115	111½	74,000
" Denver div. assd. 6's..1899	2,838,000	M & N	120½	Oct. 5,'97	120½	120½	15,000
" eng.Tr.Co. cfs. ex mat cps	3,051,000	.....	110	Oct. 30,'97	118	110	105,000
" Tr.Co. ctfs. 1st con. 6's1919	11,474,000	.....	85⅝	Oct. 30,'97	101¼	85⅝	750,000
Cent. Br. Un. Pac. f'd cpns 7's.1895	630,000	M & N	98	June 22,'93	....	....	.....
Atch., Colo. & Pac., 1st 6's.....1905	4,070,000	Q F	30½	Oct. 29,'97	36	30½	11,000
U. P., Lin. & Colo. 1st gtd g. 5's.1918	4,480,000	A & O	32	Oct. 2,'97	32	32	3,000
" Den.&Gulf 1st c. g.5's.1939	5,814,000	J & D	48	Oct. 30,'97	53½	47½	1,003,000
" eng. Trus. Co. certifs.....	10,087,000	.....	.....		....	....	.....
Wabash R.R. Co., 1st gold 5's....1939	31,664,000	M & N	108¼	Oct. 30,'97	108¼	107½	286,000
" 2d mortgage gold 5's..1939	14,000,000	F & A	79½	Oct. 29,'97	80	77⅛	485,000
" deben. mtg series A..1939	3,500,000	J & J	.....		....	....	.....
" series B.....1939	25,740,000	J & J	29	Oct. 29,'97	31	28	71,000
" 1st g.5's Det.& Chi.ex.1940	3,500,000	J & J	99¼	Oct. 28,'97	99½	98	3,000
St. L., Kan. C. & N. St. Chas. B.							
" 1st 6's.....1908	1,000,000	A & O	111	July 20,'97	....	....	.....
Western N.Y. & Penn. 1st g. 5's..1937	10,000,000	J & J	107¼	Oct. 21,'97	107¾	106¾	16,000
" gen g. 2-3-4's.....1943	10,000,000	A & O	45½	Oct. 14,'97	46½	45½	39,000
" inc. 5's 1943	10,000,000	Nov.	14	Sept. 9,'97	....	....	.....
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,999,000	M & N	.....		....	....	.....
" 40 years con. g. 5's.....1936	6,031,000	M & N	101⅝	Sept.28,'97	....	....	.....
West Va. Cent'l & Pac. 1st g. 6's.1911	3,000,000	J & J	108	Feb. 18,'96	....	....	.....
Wheeling & Lake Erie 1st 5's....1926	1,265,000	A & O	91	Oct. 29,'97	93	91	9,000
" Trust Co. certificates.....	1,735,000	.....	.....		....	....	.....
" Wheeling div. 1st g. 5's.1928	1,500,000	J & J	75	Sept.30,'97	....	....	.....
" exten. and imp. g. 5's...1930	1,624,000	F & A	70	Feb. 3,'97	....	....	.....
" consol mortgage 4's.....1992	1,600,000	J & J	62¼	July 20,'96	....	....	.....
Wisconsin Cent.Co. 1st trust g.5's1937	1,987,000	J & J	37	Sept.24,'97	....	....	.....
" eng. Trust Co. certificates.	10,013,000	.....	33	Oct. 29,'97	37½	33¼	94,000
" income mortgage 5's...1937	7,775,000	A & O	5	Oct. 21,'97	6	5	5,000

UNITED STATES GOVERNMENT SECURITIES.

NAME *Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1897 *High.*	*Low.*	OCTOBER SALES. *High.*	*Low.*	*Total.*
United States 2's registered.....Opt'l	25,364,700	Q M	98¼	98¼	....	....	.....
" 4's registered.....1907	559,634,000	J A J&O	112⅜	110⅜	112⅜	112	33,000
" 4's coupon.....1907		J A J&O	114	111⅜	114	113¼	3,500
" 4's registered.....1925	162,315,400	Q F	127½	120¼	127½	127⅛	125,000
" 4's coupon.....1925		Q F	128¼	120⅛	128¼	126	205,000
" 5's registered.....1904	100,000,000	Q F	114⅝	113	....	....	.....
" 5's coupon.....1904		Q F	115⅞	113	115⅞	115	137,000
" 6's currency.....1898	29,904,952	J & J	103½	103½	....	....	.....
" " 1899	14,004,560	J & J	107¾	106¼	....	....	.....
" 4's reg. cer. ind. (Cherokee)1898	1,660,000	MAR	.....		....	....	.....
" " 1899	1,660,000	MAR	106⅝	106⅝	....	....	.....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS.

NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	Date.	OCTOBER SALES. High.	Low.	Total.
American Cotton Oil deb. g. 8's	1900	3,068,000	Q F	108¾	Oct. 25,'97	109	108⅛	37,000
Am. Spirit Mfg. Co. 1st g. 6's	1915	2,000,000	M & S	80	Oct. 25,'97	85	80	9,000
Atlanta Gas Light Co. 1st g. 5's	1947	1,150,000	J & D	.....		....	....	.....
Barney & Smith Car Co. 1st g. 6's	1942	1,000,000	J & J	.....		....	....	.....
Bost. Un.Gas 1st ctfs s'k f'd g. 5's	1939	7,000,000	J & J	92	July 26,'97	....	....	.....
B'klyn Union GasCo.1stcon.g.5's	1945	13,081,000	M & N	113⅛	Oct. 30,'97	114	113	68,000
B'klyn Wharf & Wh. Co. 1st g. 5's	1945	17,500,000	F & A	100	Oct. 29,'97	101	100½	108,000
Chic. Gas Lt & Coke 1st gtd g. 5's	1937	10,000,000	J & J	102⅝	Oct. 29,'97	104	102½	44,000
Chic. Junc. & St'k Y'ds col. g. 5's	1915	10,000,000	J & J	109½	Feb. 9,'97	....	....	.....
Colo. Coal & Iron 1st con. g. 6's	1900	2,954,000	F & A	95	Oct. 23,'97	95	95	1,000
Colo. C'l & I'n Devel.Co. gtd g.5's	1909	700,000	J & J	93	July 12,'97	....	....	.....
" Coupon off		.....		....		....	....	.....
Colo. Fuel Co. gen. g. 6's	1919	1,043,000	M & N	108½	Nov. 10,'92	....	....	.....
Col. Fuel & Iron Co. gen. sf g 5's	1943	2,021,000	F & A	80	May 27,'96	....	....	.....
Columbus Gas Co., 1st g. 5's	1932	1,175,000	J & J	.....		....	....	.....
Colo. Hock. Val. C'l & I'n g. 6's	1917	960,000	J & J	94	Sept. 21,'94	....	....	.....
Commercial Cable Co. 1st g. 4's	2397.	11,400,000	Q & J	105½	Oct. 14,'97	105½	105½	12,000
" registered			Q & J	106¾	July 12,'97	....	....	.....
Con'rs Gas Co. Chic. 1st g. 5's	1936	4,346,000	J & D	100	Oct. 21,'97	100	99½	11,000
Detroit Gas Co. 1st con. g. 5's	1918	2,000,000	F & A	89	Oct. 27,'97	93	89	27,000
Edison Elec. Illu. 1st conv. g. 5's	1910	4,312,000	M & S	111	Oct. 29,'97	111	109½	18,000
" 1st con. g. 5's	1995	2,156,000	J & J	113	Oct. 19,'97	113	112	3,000
" Brooklyn 1st g. 5's	1940	1,500,000	A & O	110½	Feb. 4,'97	....	....	.....
" registered			A & O	.....		....	....	.....
Equitable Gas Light Co. of N. Y.								
" 1st con. g. 5's	1932	2,500,000	M & S	114	Dec. 14,'96	....	....	.....
Equit. Gas & Fuel, Chic. 1st g. 6's	1905	2,000,000	J & J	106	Oct. 27,'97	106	106	1,000
Erie Teleg. & Tel. col. tr. g s f d 5's	1926	1,000,000	J & J	.....		....	....	.....
General Electric Co. deb. g. 5's	1922	8,000,000	J & D	101⅛	Oct. 29,'97	101½	100	66,000
Grand Riv. Coal & Coke 1st g. 6's	1919	780,000	A & O	90	Nov. 26,'95	....	....	.....
Grand Rapids Gas Light Co. 1st g. 5's	1915	1,225,000	F & A	92½	Mar. 11,'95	....	....	.....
Hackensack Wtr Reorg. 1st g. 5's	1926	1,080,000	J & J	107⅛	June 3,'92	....	....	.....
Hend'n Bdg Co. 1st s'k. f'd g. 6's	1931	1,728,000	M & S	111	Aug.23,'97	....	....	.....
Hoboken Land & Imp. g. 5's	1910	1,440,000	M & N	102	Jan. 19,'94	....	....	.....
Illinois Steel Co. debenture 5's	1910	6,200,000	J & J	86	May 8,'96	....	....	.....
" non. conv. deb. 5's	1910	7,000,000	A & O	70	Apl. 23,'97	....	....	.....
Iron Steamboat Co. 6's	1901	500,000	J & J	75½	Dec. 4,'95	....	....	.....
Jefferson & Clearfield Coal & Ir. 1st g. 5's	1926	1,975,000	J & D	107	May 27,'97	....	....	.....
" 2d g. 5's	1926	1,000,000	J & D	80	May 4,'97	....	....	.....
Kansas City Mo. Gas Co. 1st g 5's	1922	3,750,000	A & O	.....		....	....	.....
Lac. Gas L't Co. of St. L. 1st g. 5's	1919	10,000,000	Q F	101⅜	Oct. 29,'97	103	101	153,000
" small bonds				97½	Nov. 1,'95	....	....	.....
Madison Sq. Garden 1st g. 5's	1919	1,250,000	M & N	102	July 8,'97	....	....	.....
Manh. Bch R. & L. lim. gen. g. 4's	1940	1,300,000	M & N	55	Aug.27,'95	....	....	.....
Metrop. Tel & Tel. 1st s'k f'd g. 5's	1918	2,000,000	M & N	103¼	Jan. 5,'92	....	....	.....
" registered			M & N	.....		....	....	.....
Mich. Penins. Car Co. 1st g 5's	1942	2,000,000	M & S	85	June 5,'97	....	....	.....
Mutual Union Tel. Skg. F. 6's	1911	1,937,000	M & N	111½	Aug.17,'97	....	....	.....
Nat. Starch Mfg. Co., 1st g 6's	1920	3,837,000	J & J	109	Oct. 25,'97	109	108¾	16,000
Newport News Shipbuilding & Dry Dock 5's	1890-1930	2,000,000	J & J	94	May 21,'94	....	....	.....
N. Y. & N. J. Tel. gen. g 5's cnv.	1920	1,261,000	M & N	100	June 4,'95	....	....	.....
N. Y. & Ontario Land 1st g 6's	1910	443,000	F & A	92¼	May 5,'96	....	....	.....
North Western Telegraph 7's	1904	1,250,000	J & J	107	May 13,'89	....	....	.....
Peop's Gas & C. Co. C. 1st g. g 6's	1904	2,100,000	M & N	113	July 7,'97	....	....	.....
" 2d 6's	1904	2,500,000	J & D	107	Oct. 18,'97	107	107	500
" 1st con. g 6's	1943	4,900,000	A & O	113	Oct. 27,'97	113¼	112⅛	34,000
Peoria Water Co. g 6's	1889-1919	1,254,000	M & N	100	June 23,'92	....	....	.....
Pleasant Valley Coal 1st g 6's	1920	500,000	M & N	106⅞	Oct. 14,'95	....	....	.....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	*Date.*	OCTOBER SALES. *High.*	*Low.*	*Total.*
Procter & Gamble, 1st g 6's	1940	2,000,000	J & J	117	Dec. 12,'95	....	....	.....
St. Louis Terml. Cupples Station & Property Co. 1st g 4½'s	1917 5-20	2,000,000	J & D	.....		....	....	.....
So. Y. Water Co. N. Y. con. g 6's	1923	478,000	J & J	101	Feb. 19,'97	....	....	.....
Spring Valley W. Wks. 1st 6's	1906	4,975,000	M & S	.....		....	....	.....
Standard Rope & Twine 1st g. 6's	1946	2,955,000	F & A	60½	Oct. 30,'97	64	60	67,000
" " inc. g. 5's	1946	7,500,000	.....	14	Oct. 29,'97	16	12	211,000
Sun. Creek Coal 1st sk. fund 6's	1912	400,000	J & D	.....		....	....	.....
Ten. Coal, I. & R. T. d. 1st g 6's	1917	1,244,000	A & O	89½	Sept.21,'97	....	....	.....
" Bir. div. 1st con. 6's	1917	3,399,000	J & J	87	Oct. 30,'97	90	87	49,000
Cah. Coal M. Co. 1st gtd. g 6's	1922	1,000,000	J & D	84	May 2,'95	....	....	.....
De Bard. C & I Co. gtd. g 6's	1910	2,428,000	F & A	81½	Aug.16,'97	....	....	.....
U. S. Leather Co. 6% g s. fd deb.	1915	6,000,000	M & N	115	Oct. 22,'97	116¼	115	16,000
Vermont Marble, 1st s. fund 5's	1910	640,000	J & D	.....		....	....	.....
Western Gas Co. col. tr. g. 5's	1933	3,805,500	M & N	103	Sept.28,'97	....	....	.....
Western Union deb. 7's	1875-1900	3,680,000	M & N	107	June28,'98	.. .	....	.....
" 7's, registered	1900		M & N	107	Feb. 6,'96	....	....	.....
" debenture, 7's	1884-1900	1,000,000	M & N	105½	July 7,'97	....	....	.....
" registered			M & N	105	May 10,'97	....	....	.....
" col. trust cur. 5's	1938	8,502,000	J & J	109	Oct. 25,'97	109	108½	8,000
Wheel L. E. & P. Cl Co. 1st g 5's	1919	846,000	J & J	68	Dec. 23,'98	....	....	.....
Whitebrst Fuel gen. s. fund 6's	1908	570,000	J & D	.....		....	....	.....

New Counterfeit $10 Silver Certificate.—Series 1891; check letter A; plate number 17; J. Fount Tillman, Register; D. N. Morgan, Treasurer; portrait of Hendricks; small scalloped seal, No. E19524809. It is a photographic production of excellent workmanship. The face of note is well executed and liable to deceive, but a careful scrutiny of the numbers and seal will disclose the original brown of the photograph beneath the applied colors. The back of note is a blue print over which green ink has been poorly applied with brush, leaving many places uncovered. This counterfeit is printed on two pieces of thin bond paper, then pasted together, and the silk fibre of the genuine is imitated by pink and blue ink lines.

Counterfeit Silver Dollar.—A specimen of a counterfeit silver standard dollar has been received at the Secret Service Division of the Treasury from St. Louis, Mo. The greatest danger from this coin lies in the fact that it is made of silver about of standard fineness and its weight approximates the genuine, yet it should not be very difficult to detect. It is dated 1888, and bears the New Orleans mint mark. Its most glaring fault is that no margin is left between the milling on face of coin and its edge. The lettering is too large and much of it poorly formed. The word "liberty" across the front of the Goddess' cap is too prominent as though it was cut after the coin was struck. The breast of the eagle on reverse is entirely smooth, no attempt being made to give it the feathered appearance of the genuine. There are many other defects in this counterfeit but the above are deemed sufficient to identify it.

Postal Savings Banks.—The American monthly review, THE BANKERS' MAGAZINE, of New York, which has obtained since 1846 high authority in America and Europe, gives in the number for August, 1897, a valuable review, in connection with the last work of M. de Malarce, of the influence of school Savings banks as lessons in apprenticeship, as practical schools and as stimulants in the development of the clientage and resources of Savings banks and other institutions of popular thrift.—*Revue Des Postes et Télégraphes* (Paris).

Foreign Investors Doubtful.—Pierre Lorillard, the wealthy tobacco manufacturer, who recently returned from Europe, said in an interview:

"Foreign stockholders do not care to invest money in this country, even if assured of a twenty per cent. dividend. They will invest anywhere—in New Zealand, British Columbia, anywhere but here. And they won't until the money question is settled."

BANKERS' OBITUARY RECORD.

Alford.—J. P. Alford, Cashier of the Marshall (Tex.) National Bank, died October 8.

Baldwin.—Albert Baldwin, Vice-President of the Newark (N. J.) City National Bank, died October 21. He was born in East Orange, N. J., July 5, 1835. He attended the village school, and entered the Orange Bank as a junior clerk, where he acquired a sufficient knowledge of the business in three or four years to enable him to obtain a position in 1856 in the Newark City Bank. In 1858 he became Cashier, a position he filled for nearly forty years, winning for himself the affection and confidence of his associates. In 1896 he was elected Vice-President.

Berry.—Geo. F. Berry, for the past ten years Treasurer of the Pittsfield (N. H.) Savings Bank, died October 7, aged sixty-seven years.

Denney.—Alfred Denney, President of the Fortville (Ind.) Bank, and a veteran of the Mexican War, died October 19, aged seventy-five years.

Dennis.—Robert F. Dennis, Vice-President of the Bank of Lewisburg, W. Va., died Oct. 8.

Dole.—Wm. B. Dole, President of the People's Bank, Pomona, Cal., died October 24.

Drown.—James T. Drown, for nearly twenty-five years Cashier of the Atlantic National Bank, Boston, died October 8. He had been connected with the bank for thirty-three years, and was highly regarded for his ability and integrity.

Grove.—R. M. Grove, until recently President of the Danville (Pa.) National Bank, died October 24.

Henderson.—H. L. Henderson, President of the First State and Savings Bank, Mason, Mich., and a banker for thirty years, died October 11.

Kuntz.—James W. Kuntz, one of the wealthiest residents of Washington, Pa., died Oct. 5. He was born in 1821, and was formerly President of the Washington Savings Bank, which is now the Citizens' National Bank.

Jackson.—Col. Geo. W. Jackson, a member of the banking firm of Jackson, Hastings & Co., Bellefonte, Pa., died October 22.

Jeffers.—James S. Jeffers, President of the Farmers' National Bank, Shelbyville, Ind., since its organization, died October 8. He was born in Butler county, Ohio, in 1842.

Matthews.—J. W. Matthews, Cashier of the Bank of Lewisburg, W. Va., died September 27. He had managed the bank for more than a quarter of a century with entire satisfaction to the stockholders and directors.

McGraw.—Thomas McGraw, Vice-President of the Union National Bank, Detroit, Mich., and a director of the City Savings Bank, died October 11. He was largely interested in merchandising and real estate, and was possessed of a considerable fortune.

Miller.—Justus Miller, Vice-President of the Central National Bank, Troy, N. Y., died November 2, aged seventy-two years.

Orendorff.—W. J. Orendorff, Vice-President of the First National Bank, Canton, Ill., died October 18.

Peck.—John P. Peck, President of the Farmers' Bank, Coshocton, Ohio, died October 7, aged sixty-three years.

Porter.—Daniel F. Porter, for the past seven years President of the Hamilton Bank, New York city, died October 17. Mr. Porter was born in New York about fifty-two years ago. He was for many years a member of the real estate firm of Porter & Co.

Raymond.—James H. Raymond, of the banking firm of James H. Raymond & Co., Austin, Texas, died October 30, aged eighty years. He was the first State Treasurer of Texas, and was secretary of the convention which framed the constitution of Texas.

Scudder.—Jason Scudder, President of the Adrian (Mo.) Banking Co. for the last ten years, died October 7, aged fifty-nine years.

Speer.—Wm. W. Speer, President of the Dollar Savings Bank, Pittsburg, Pa., and a director of the Iron City National Bank, died October 11. He was fifty years of age, and was associated with many leading business enterprises.

Watson.—Stephen Watson, President of the Madison National Bank, London, Ohio, and Vice-President of the London Exchange Bank, died October 5, at the age of seventy years.

White.—Charles White, formerly Cashier of the Northampton (Mass.) National Bank for many years, died October 8, aged eighty-four years.